

Sciencetech Club Foundation Frequently Asked Questions

Information about the Sciencetech Club Foundation can be found on the Club website.

<http://www.sciencetechclub.org/index.html#>

<http://www.sciencetechclub.org/foundation/AngusFoundation.shtml>

In addition, please see the following Frequently Asked Questions.

1. What is the Sciencetech Club Foundation?

The Sciencetech Club Foundation (formerly the D.J. Angus - Sciencetech Foundation) is a private, 501(c)(3) foundation that was initiated by Sciencetech Member, Bob Annis in 1967. It is the philanthropic arm of the Sciencetech Club. The purpose of the Foundation is to foster and promote advancement and improvement of education in engineering, science, technology, medicine, and related fields through grants and scholarships to deserving students and organizations.

2. Are donations to the Foundation tax deductible?

In general, yes. However, the tax deductibility of donations depends on the circumstances of individual donors and first should be discussed with your tax advisor. The Sciencetech Club Foundation (formerly the D.J. Angus - Sciencetech Educational Foundation) is a tax-exempt 501(c)(3) private foundation and donations of cash or publicly traded securities are deductible, subject to certain limitations based upon your adjusted gross income. It should be noted that, per IRS regulations, a donation to the Foundation from a Traditional IRA does not qualify as a Qualified Charitable Distribution (QCD) and cannot be counted toward satisfying your required minimum distribution (RMD), as the Foundation is classified as a private foundation and not a public charity.

3. What is the Foundation's organizational structure?

The Foundation Board can consist of up to twenty-four members. Currently, the Foundation Board of Directors has fifteen members, which includes five officers and ten directors. All are Sciencetech Club past presidents, or directors. The current Sciencetech Club President is a member of the Foundation Board of Directors. Board meetings are held four times per year, as are the Investment Committee meetings. All Board Members are invited to the committee meetings.

4. Does the Foundation have a set of by-laws?

Yes. The Foundation is governed by the Articles of Incorporation first filed with the Secretary of State of Indiana on June 7, 1967 and amended in 1997 and 2009. The Bylaws, Investment Policy, Budget Policy, Spending Policy and other information are included with the Articles of Incorporation in a thirty-nine page document which governs the Foundation.

5. How is the Board of Directors selected/elected?

The members of the Foundation Board of Directors are elected annually in January for a one year term. Currently, all are Sciencetech Club past presidents, officers, or directors.

6. If a vacancy occurs, how is a replacement selected?

Board vacancies are filled by a majority vote of the remaining members of the Board of Directors at its discretion.

7. Are there term limits for members of the Board?

No, there are no term limits.

8. Are the board members compensated in any way?

No. The general board members totally volunteer their services and are not compensated. Legal advice from the Executive Secretary is provided pro bono. The Executive Secretary does receive a small fee for bookkeeping, accounting and tax return preparation. If the tax return would be prepared by a CPA, it alone could be over \$4,000 each year. Board meetings do not incur any expense to the Foundation. In addition, all Board Members must sign a *No Conflict of Interest* form each year.

9. What controls are in place to oversee the financial records of the Foundation?

The review of the financial records is completed by the Board and the Treasurer. All checks drawn on Foundation accounts require two signatures. An independent audit of the 2017 financial records was completed in the first quarter of 2018 with the observation that "the financial records are well kept and accurately reflect the status of the Foundation". Also, an Ad Hoc Committee was established to review the Bylaws to ensure that they reflect current procedures and to address recommendations from the audit report.

10. How is the investment portfolio of the Foundation managed?

The investment portfolio is managed by a professional investment management firm, currently Planned Investment Company in Indianapolis. All investment decisions are approved by the Foundation Board of Directors. Planned Investment Company does not charge the Foundation a fee for its services.

11. Are there periodic reviews of the investment portfolio?

The Investment Committee, consisting of members of the board, reviews the performance of the investment portfolio with the investment management firm on a quarterly basis.

12. What is the size of the endowment?

The financial assets of the Foundation, which include the investment portfolio and funds in the checking account, slightly exceeded \$2.5M as of June 30, 2018.

13. What types of investments are held in the Foundations portfolio?

The investment portfolio consists of various well-known mutual funds. The Foundation does not pay sales fees (loads) when it acquires mutual funds. The Foundation is not investing in individual stocks or commodities. As of June 30, 2018, the mutual funds in the portfolio held roughly 55% US equities, 18% non-US equities, 19% bonds and the remainder in non-classified and cash.

14. How is the endowment funded or grown?

The Foundation endowment is funded through the investment performance of the portfolio and donations, bequests and memorials from Sciencetech Club members and other individuals. In 2017 forty percent of the Sciencetech Club members made a contribution to the Foundation.

15. Are there any "legal linkages" between the Club and the Foundation?

No. There are no legal ties between the Sciencetech Club and the Foundation.

16. What are the annual grant totals and which organizations are receiving grants?

In 2017, the Foundation made grants totaling \$141,782. The budget for 2018 is \$144,759. Please see the following for details.

The D.J. Angus-Sciencetech Foundation, Inc. DBA The Sciencetech Club Foundation
BANK STATEMENT & BUDGET REPORT FOR FIRST QUARTER 2018

January 1 Through March 31, 2018
 John Prentice, Treasurer

	<u>RESPONSIBILITY</u>	<u>PROGRAM</u>	<u>2018 BUDGET</u>	<u>YTD ACTUAL</u>	<u>VARIANCE</u>	
EXPENSES						
1	Power Eng. IUPUI	Abella	Student Learning	\$ 5,000	\$ 5,000.00	\$ -
2	MEAP-Purdue/IUPUI	Abella	Student Learning	7,500	5,000.00	2,500.00
3	Jr. Scientist Mindset - U of I Perry & Pike	Abella	New	10,000	10,000.00	-
4	PU Science Bound W/S Middle School	Baize	Student Learning	1,000	1,000.00	-
5	School Science Projects, Equipment	Chaney	Student Learning	35,000	4,907.27	30,092.73
6	Eagle Creek Park Foundation	Dick	Student Learning	1,000	-	1,000.00
7	IUPUI Summer Physics Research	Dillon	Student Learning	6,000	-	6,000.00
8	Ron Ward Scholarship @ Grand Valley	Elliott/Rasley	Scholarship	5,000	5,000.00	-
9	Girls. Inc.	Kurlander	Student Learning	5,000	-	5,000.00
10	IU Mini-Med School	Kurlander	Student Learning	7,500	7,500.00	-
11	Link Obs Space Science Institute	Rasley	Student Learning	6,000	6,000.00	-
12	HSE schools FND FHS Math & Physics	Rasley	Teacher Program	8,259	-	8,259.00
13	Riley Child Foundation HBW Ped Res Ctr	Rathman	Internship	6,600	6,600.00	-
14	Girl Scouts	Springer	Other	250	-	250.00
15	STEM (Boy) Scouts	Springer	Other	6,750	-	6,750.00
16	Starbase Indiana Inc.	Trierweiler	Student Learning	7,500	-	7,500.00
17	Wabash-Learn About Business	Wenning	Student Learning	6,400	6,400.00	-
18	Most Improved Students (College)	Wenning	Student Learning	15,000	-	15,000.00
19	IPLibrary Storer	Yates	Other	5,000	5,000.00	-
20	Other/Miscellaneous Programs	Board	Miscellaneous	0	-	0.00
	Subtotal -- Program Expenses			144,759	62,407.27	82,351.73
<u>Administrative Expenses</u>						
21	Professional Fees	Wenning	Administrative	2,400	-	2,400.00
22	Solicitation Expense	Wenning	Administrative	250	-	250.00
23	Insurance	Wenning	Administrative	425	-	425.00
24	Federal Excise Tax	Wenning	Administrative	2,000	-	2,000.00
25	Miscellaneous Expenses	Wenning	Administrative	100	90.78	9.22
	Subtotal -- Administrative Expenses			5,175	90.78	5,084.22
TOTAL EXPENSES				\$ 149,934	\$ 62,498.05	87,435.95