

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 Educational Foundation) is a Private, Non-operating 501(c)(3) foundation that was initiated by Sciencetech Member, Bob Annis in 1967. 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, Non-operating 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) as the Foundation is classified as a Private Non-operating foundation and not a public charity. In addition, donations from Donor Advised Funds are not allowed. Please consult your Financial Adviser or Tax Preparer.

3. What is the Foundation's organizational structure?

The Foundation Board can consist of up to twenty-one members. Currently, the Foundation Board of Directors has twelve members, which includes four officers and eight directors. All are Sciencetech Club past presidents, officers, directors or members. 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 several times since then. 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, directors, or members.

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 board members totally volunteer their services and are not compensated. Board meetings do not incur any expense to the Foundation. In addition, all Board Members must sign a *Conflict of Interest* statement 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. In the first quarter of 2018, a committee, made up of Scientech Club Members, who are not involved with the financial operations of the Foundation, examined the 2017 financial records and reported 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 committee’s 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, exceeded \$3M as of December 31, 2021.

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 December 31, 2021, the mutual funds in the portfolio held roughly 61% US equities, 17% non-US equities, 14% fixed income and the remainder in mixed assets 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 2021 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. We ask that you do not combine your dues payment to the Club with a donation to the Sciencetech Foundation in a single check. The Club and the Foundation are distinct and separate entities with different IRS Regulations that apply. Club dues payments should be made payable to the Sciencetech Club. Dues are not tax deductible. Donations to the Foundation should be made payable to the Sciencetech Club Foundation and are generally tax deductible. Separate checks are required.

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

In 2021, the Foundation made grants totaling \$92,638, with many of our recipients limiting their programs due to the COVID epidemic. The grant budget for 2022 is \$150,950.

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