

Order of AHEPA District #10 Educational Foundation By-Laws

As Amended through 2025

~~Educational Foundation By-Laws District #10 (January 2022)~~

Note that items marked "comment" in parentheses are not proposed changes to the bylaws and are included to clarify why a change is being made.

Name and Principal Office

1.1 Name:

The Foundation shall be known as: Order of AHEPA District #10 Educational Foundation

1.2 Principal office:

The Foundation's principal office shall be the current Executive Secretary's home address unless the Foundation, at a regular scheduled meeting selects another address

II Purpose and legal status

2.1 Purpose:

1. The Foundation shall be a public non-profit corporation organized for the ~~purpose of providing educational scholarships~~ purposes set forth in the Articles of Incorporation
2. The Foundation is a 501 (c) 3 Corporation

III Restrictions

3.1 Use of Funds:

The use of the funds received shall be used exclusively for ~~scholarships~~ the purposes set forth in the Articles of Incorporation and operating expenses of the Foundation.

3.2 Legislation

Funds collected by the Foundation shall not be used to influence legislation in any manner either directly or indirectly.

3.3 Compensation

No compensation shall be paid to any Board member, officer, or trustee, although each may be reimbursed for expenses incurred on behalf of the Foundation after approval by the Board of Directors. The Executive Secretary, and other non-voting foundation staff may receive compensation as approved by the Board.

3.4 Dues and Assessments

No dues and assessments shall be required of any Board member, trustee, or officer

IV Board of Directors

4.1 Directorship

The Foundation was established as a Corporation effective October 10, 1997. The property and business affairs of the Corporation will be managed by its Board of Directors.

4.2 Number and term in office

The Board of Directors will be comprised of 10 voting members:

- ~~1. Four members of the Order of AHEPA~~
- ~~2. Four members of the Daughters of Penelope~~

1. The number of members from each of the Order of Ahepa and the Daughters of Penelope will be equal Plus

- ~~3-2. The current District Governor of the AHEPA and~~
- ~~4-3. The current District Governor of the Daughters of Penelope shall be ex-officio members.~~
- ~~4. The District Lt. Governors of both Orders will be members of the Board for their respective terms with voting powers in the absence of the Governor.~~
5. In place of the Governor, the District Lt. Governor or such other member of each Lodge as selected by the Lodge will be members of the Board with voting powers for their respective terms.
- ~~5-6.~~

~~6.—~~The term of office for the elected Foundation members shall be 4 years. The terms are to be staggered so that ~~one equal~~ -new members from each of the AHEPA and Daughters of Penelope shall be elected at the District Convention and that approximately the same number of members is elected each year.

7. No other member of the District Lodges shall be a member of the Board during his or her term of office
8. The directors may serve only two consecutive terms. However, after a one-year absence, any person may again be elected or appointed to serve as a Director of the Foundation
9. The elected and ex-officio ~~Ten~~ members of the board shall be the only voting members. No other person shall hold a voting status.
10. For purpose of eligibility to be elected to the Foundation, the immediate past District Governor, acting in the capacity of Advisor to his/her District Lodge, shall be eligible to

stand for election to fill an opening in the Foundation even though the official term as District Governor (or other Lodge member) may overlap for a short time with the beginning of the term as a Foundation Board Member.

4.3 Resignation, removal and Vacancies

1. A director may resign by an acknowledged written notice or e-mail to the Foundation. The resignation will be effective upon its receipt by the Foundation Board at the next meeting
2. A director may be removed by the affirmative vote of no less than ~~six (6) members~~ 60% of the directors in office (see 4.3.3). The director whose term is being voted upon shall not have a vote
3. Shall a vacancy occur among the members of the Board of Directors, that the vacancy shall be filled by a majority vote of the District Lodge to which that member belongs. A member appointed to fill a vacancy occurring other than by expiration of a term shall serve only until the following District Convention
4. The member elected to fill the vacancy shall be elected for a term coinciding with the vacated member's term
5. Absenteeism - A Board member who is absent for three (3) consecutive Board meetings may be subject to removal as provided by 4.3.2

~~4.4 General Powers as to negotiable Paper~~

~~The Board of Directors may, from time to time, authorize the making, signature or endorsement of checks, drafts, notes and other negotiable paper or other instruments for the payment of money and designate the persons who will be authorized to make, sign or endorse the same on behalf of the Corporation (see XI) (Comment: Deleted because is it covered in the Fiscal Matters section later in the by-laws.)~~

~~4.5.4 Powers as to other documents~~

~~All material contracts, conveyances and other instruments may be executed on behalf of the Foundation by the Chairperson or Vice Chairperson as approved by the board.~~

~~4.6 Compensation~~

~~Board members will serve without compensation but may be reimbursed for actual, reasonable and necessary expenses incurred (see 5.3) (Comment: Deleted because already covered)~~

~~4.7.5 Board of Directors Responsibilities~~

1. To establish and maintain ~~a~~ scholarship programs whereby worthy students of Hellenic heritage and/or AHEPA Family affiliation may apply.
2. To encourage participation in the activities of the Foundation
- ~~3. To accept, in the name of the Foundation, money and other property by any legal means and dispose of it in the furtherance of the purpose of the Foundation (Comment: covered in Fiscal Matters of bylaws)~~
3. Such other powers and duties as may be assigned by a majority of the Board of Directors at the annual or special meeting called in accordance with these bylaws. of Artides IV, and VI

4. To establish, review and amend as appropriate policies including, but not limited to:
- a. Conflict of Interest
 - b. Record Retention
 - c. Whistleblower
 - d. Compensation

4.8 Honorary Board of Directors

The Board of Directors shall have Power and Authority to Appoint Honorary Board of Directors for a 4-year term and may be appointed for one more term.

The Honorary Board of Directors shall have no voting rights and will be an advisory position.

The Honorary Board of Director's attendance shall not be included to achieve a quorum. Honorary Board members serve at the pleasure of the Board and may be removed by majority vote at any time with or without cause.

V Officers

5.1 Election of Officers and Appointments:

A) The Board of Directors shall elect its officers at the first annual meeting following the District Chairperson Convention.

1. A Chairperson
2. A Vice Chairperson
3. A Treasurer

4. Secretary

5 (Comment: a Secretary is needed for legal purposes)

The Board of Directors may shall:

2. Appoint an Executive Secretary who shall have a non-voting status.
3. The Directors may also appoint as non-voting members anyone that they deem necessary to accomplish the objectives of the Educational Foundation.

5.2 Term of Office

The term of office of all officers shall commence upon their election or appointment and shall continue until the first annual meeting of the Foundation and until their respective successors are chosen or until their resignation or removal.

5.3 Compensation

Any person doing ~~contracted~~ work for the Foundation, other than members of the Board of Directors, may receive reasonable compensation for services rendered as approved by the Board of Directors (see 4.6).

5.4 Chairperson of the Board, duties and responsibilities

The Chairperson of the Board shall preside at all meetings of the Board of Directors. The Chairperson shall have those powers and duties prescribed by the Board of Directors. They are to:

1. Conduct meetings
2. Assign liaisons to Chapters who shall have such responsibilities as assigned by the Board
3. Assign and oversee committees
4. Oversee all fundraising activities
5. Represent the Foundation at ~~the~~ District Conventions

5.5 Vice Chairperson

The Vice Chairperson of the Board, in the absence of the Chairperson, shall assume duties and responsibilities of the Chairperson

5.6 Treasurer duties and responsibilities

1. Receive all funds and deposit them in the Foundation's account(s) or investments as directed by the Board of Directors.
2. Submit a semi-annual accounting of the Educational Foundation at the mid-year conference and an annual report at the District Convention (see 11.4.2). The accounting shall include, but not be limited to:
 - a. A statement of the receipts and disbursements by the Foundation
 - b. The amount of funds available for scholarships
 - c. A budget for approval by the Board of Directors
3. Fulfill additional duties as assigned by the Board
- ~~4. Shall be remunerated for expenses approved by the Board. (comment – this is already covered elsewhere)~~
- ~~5.4.~~ Shall serve as the Chair of the Finance Committee and as a member of the Investment Committees (see 10.5)
- ~~5.~~ All communications pertaining to financial matters shall be communicated directly to the Treasurer and copied to the Chairperson and Executive Secretary.

- ~~7. Prepare a 990 report and submitted to retain 501(c)3 status as required by law. Oversee preparation and filing of IRS form 990 and any other reports or forms as required by law or regulation.~~

5.7 Secretary Duties and responsibilities:

1. Work with the Chairperson and Executive Secretary to set agendas and communicate with Board members and donors.
2. Attest to minutes, documents, or actions taken by the Board when such actions are required by outside entities such as financial institutions or government agencies.
3. Collect annually the Conflict-of-Interest questionnaires completed by all individuals required to complete those questionnaires and report any potential conflicts to the Board for discussion and disposition.
4. Such other duties and responsibilities as may be assigned by the Chairperson or the Board.

~~5.7~~5.8 Executive Secretary duties and responsibilities

1. Maintain records and documents, prepare communications, send notices of meetings, maintain minutes and correspondence, and perform additional duties as assigned by the Chairperson
2. See that all orders and resolutions of the Board are executed as approved
3. ~~May not be monetarily compensated.~~
4. May receive ~~honorary~~ compensation as approved by the Board. (Comment: It may be required at some time that this become a paid position because of the expanded work of the foundation)
- ~~5. May be reimbursed for expenses as approved by the Board (Comment : already covered)~~
- ~~6.5.~~ Submit a semi-annual report at the Mid-year conference and at the District Convention (see 11.4.1)
- ~~7.6.~~ _____ May be removed upon the affirmative vote of ~~seven (7)~~ two thirds of the voting members of the Board

5.85.9 Bonding

The Chairperson, Vice Chairperson, Treasurer, Secretary, and Executive Secretary and any such other individuals shall be bonded as determined by the Board of Directors.

VI Meetings

6.1 Annual Meetings

The first meeting of the Foundation should be held no later than 30 days following the District Convention or as soon thereafter as practicable.

6.2 Regular Meetings

At least three (3) regular meetings of the Board must be held each year

6.3 Special Meetings

Special meetings of the Directors may be called by the Chairperson or at the request of not less than four (4) Directors.

Any request by the Directors must state the purpose of the proposed meeting

6.4 Notice of Meetings

Except as otherwise provided by these bylaws or by law, written notice containing the time and place of all meetings of the Board of Directors will be given either by e-mail or by US mail to each Director not less than ten days before a regular meeting and not less than two days before a special meeting. Attendance at the meeting or response to a meeting notice constitutes proper receipt of notice for that meeting

- 1...A Director attending a meeting for the express purpose of objecting to the transaction of business at a meeting not lawfully called or convened, shall not be deemed to have attended a lawfully called or convened meeting

6.5 Quorum and Voting

1. A majority of all Directors will constitute a quorum at any meeting.
2. The majority vote of the Directors present at a meeting, at which a quorum is present, will constitute the action of the Board of Directors, unless the vote of a larger number is required by law or by other sections of these bylaws or Articles of incorporation.
3. If there is no Quorum, another meeting may be called and any number of Board of Directors present will constitute a quorum provided that the notice requirements have been met.

6.6 Conduct of Meetings

If there is no Chairperson or Vice-Chairperson present, the Treasurer will chair the meeting. The Executive Secretary or, in his or her absence, a person chosen at the meeting will act as Secretary of the meeting

6.7 Action by Unanimous Email or -Written Consent

~~Any action required or permitted to be taken at an annual or special meeting of Directors may be taken without a meeting, without prior notice and without a vote, if all ten of the Directors consent in writing to the action so taken. Written consents will be filed with the minutes of the proceedings of the Board of Directors.~~

Any action required or permitted to be taken at a meeting of Directors other than officer elections and removal of board members, may be taken by email vote or written consent and will be valid if it receives the required number of votes and further provided that all voting members of

the Board were notified of the action and given an opportunity to cast a vote.

(Comment: Unanimous written consent is mechanically difficult to gather. Email votes are easy and often necessary to get things done timely)

Telephonic/video Conferences

A Director may participate in a meeting by telephone conference or similar communication equipment by which all persons participating in the meeting may hear each other. All Participants must be advised (see 6.4) of the conference and the names of the participants. Participation in such a meeting pursuant to this section constitutes presence of the person at the meeting.

VII Committees

Committees of the Foundation shall be comprised of Standing Committees and Special Committees. Chairpersons of these committees will be appointed by the Chairperson of the Board with the approval of the Board of the Directors. Standing Committees may be designated or eliminated by 2/3rd board action.

7.1.1 Standing Committees--shall be:

- a. Finance
- b. Investments
- c. Scholarships
- d. Bylaws
- e. Fund Raising
- f. E-Club
- g. Development committee to seek endowed funds
- h. Technology Committee
- i. Audit Committee
- f.j.

7.1.2 ~~Special Committees may be appointed as specified in 7.1 as needed.~~ (Comment: not needed, special committees are allowed above & below)

~~7.2 Procedure~~

~~The Chairperson with the approval of a majority vote of the Board of Directors may designate Standing and Special Committees as deemed appropriate.~~ The Committees will have the authority as delegated to them by the Board of Directors.

VIII Indemnification

8.1 Indemnification

The corporation 1) will indemnify to the fullest extent permitted by law any director or officer of the corporation or 2) may indemnify any volunteer, employee or agent of the corporation as provided by resolution or contract of the board of directors, who may become a party to any legal action as a result of that person's a) relationship to the corporation or b) serving at the request of the corporation as a director, trustee, officer, partner, volunteer, employee, or agent of another corporation or enterprise.

The person shall be indemnified against expenses reasonably incurred in connection with the action and including attorney's fees, judgments, penalties, fines and settlement amounts, provided 1) the person acted in good faith and in a manner the person reasonably believed to be in the best interest of the corporation and 2) such act as alleged arose out of and in the course of

his/hers duties and employment and 3) in the case of a criminal action, the person had no reasonable cause to believe their conduct was unlawful. The corporation may pay expenses in advance of final disposition of the action as provided by law.

8.2 Rights to Continue

The indemnification will continue as to a person who has ceased to be a Director or officer of the Corporation. Indemnification may continue as to a person who has ceased to be a volunteer, employee, or agent of the Corporation to the extent provided in a resolution of the Board of Directors or in any contract between the corporation and the person. Any indemnification of a person who was entitled to indemnification after such person ceased to be a Director, officer, volunteer, employee or agent of the Corporation will inure to the benefit of the heirs and personal representatives of that person.

8.3 Rights to Insure

The Corporation is empowered to contract for Surety Bonds and policies of liability insurance, to protect the Corporation, its assets and investments and to defend such persons previously named and hold them harmless from civil or criminal liability of judgment and cost of legal defense, under the conditions circumstances and limitations as described above.

IX Scholarship Policies and Procedures

9.1 Scholarships

The Board will administer the awarding of Foundation Scholarships and will :

1. [Develop the rules for scholarship eligibility and such rules shall be published with the scholarship application.](#)
2. ..Promote awareness of the Foundation 's scholarship programs
2. ..Develop and disseminate the Foundation's scholarship application
3. ..Review applications to determine scholarship recipients
4. ..Determine the amount of each scholarship

9.2 Scholarship Applications

The Board will send scholarship applications with proper instructions to each AHEPA and Daughters Chapter President as well as to Greek Orthodox Churches within District #10.

9.3 Eligible Applicants

The Board will award a scholarship only to an eligible applicant:

1. High School:

- a. For current eligibility requirements, refer to the current High School Scholarship Application

For example, the eligibility criteria for prior years were:

ELIGIBILITY REQUIREMENTS CMUST MEET at least ONE of the following conditions):

- D A.** Be of Greek descent.
- D B.** Parent(s) are currently members of the Order of AHEPA or Daughters of Penelope.
- D C.** The applicant is either a Son of Pericles or a Maid of Athena.
- D D.** Is a grandchild of a current member of the Order of AHEPA or Daughters

of Penelope.

2. College:

- a. For current eligibility requirements, refer to the current University Level Scholarship Applications
- b. For example, the eligibility criteria for prior years were:

ELIGIBILITY REQUIREMENTS CMUST MEET ALL):

- D** Must be a member of a District # 10 AHEPA, Daughters of Penelope, Sons of Pericles or Maids of Athena Chapter by December 31 of prior year and paid by March 31 of current year .
- D** U.S. Citizen, National or Legal Permanent resident of U.S.A.
- D** Must be a full-time student (12 + credits)
- D** A cumulative G.P.A. of 3.00 or better .
- D** Provide an official university or college transcript.

9.4 Funds to be used for Scholarships

~~In any fiscal year, the Board may use for scholarship purposes interest, dividends, and other income earned or received, as defined in 9.4.3.f and 9.4.3.h, exclusive of the principal value of the Endowment Fund's portfolio:~~

- ~~1. Total amount of scholarships to be awarded will be determined by the budget approved and/or amended by the Board of Directors~~
- ~~2. Interest and dividends from the Educational Foundation Investment Funds, and other contributions specified for scholarships, as further defined in 9.4.3.f, should be allocated according to the below:~~
- ~~3. Classification and Utilization of Foundation Funds:~~
 - ~~a. All funds coming to the Foundation by any means shall be classified as follows:~~
 - ~~i. Funds raised to cover operating expenses (hereinafter referred to as Operating Funds)~~
 - ~~ii. Funds intended for scholarship awards, (hereinafter referred to as Restricted Funds)~~
 - ~~b. Operating Funds shall come from the mandatory yearly obligation of \$150 dues from each Chapter of the previous year, fund raising activities of previous year, and up to 10% of declared dividends and interest income from all funds in the Foundation based on end of the year financial statement. Operating Funds are used to pay expenses connected with the running of the Foundation and its appropriate expenses as approved by a majority of the Directors~~
 - ~~c. As Operating Funds accumulate above an amount the Directors deem to be necessary for the operation of the Foundation, monies may be transferred as follows:~~
 - ~~i. Allocate into the Reserve account for future expenses~~
 - ~~ii. Allocate proportionate to each Endowment Fund account for available scholarships for that year~~
 - ~~d. Should Operating Funds be depleted, Restricted accounts shall be assessed an amount proportionate to the Endowment Fund's account value at the start of the fiscal year~~

- ~~e. A database of all Named scholarships shall be developed, maintained and include:~~
- ~~i. Name of the donor, and contact information~~
 - ~~ii. Year that the Named Scholarship was established~~
 - ~~iii. Name of the scholarship to be issued under~~
 - ~~iv. Initial amount donated~~
 - ~~v. Subsequent amounts donated~~
 - ~~vi. Current amount (end of fiscal year)~~
 - ~~vii. Balance remaining to justify Named Scholarship requirement~~
- ~~f. Funds to be used for Scholarships shall come from Dividends and interest, E-Club, and Grants as follows:~~
- ~~i. % of declared dividends and interest income from total funds in the Foundation portfolio based on end of the year financial statement and the parameters set in 9.4.3.h. These parameters would make certain the perpetuity of the endowment funds over time~~
 - ~~ii. 75 % of E-Club dues of previous year~~
 - ~~iii. Any other special donations (Grants) of previous years or current year~~
- ~~g. The above shall be prepared by the treasurer and shall be part of the budget report~~
- ~~h. The distribution of funds defined in sec 9.4.3.f.i for scholarships and operating expenses will be calculated based on the following formula 75/15/10.~~
- ~~i. Monies for scholarships and operating expenses shall be recommended by the Treasurer and approved by the Board. The treasurer in his capacity as chair of the Financial Standing Committee shall prepare a report showing the disbursement of available funds that takes into account: scholarship monies, re-investment monies and operating fund requirements.~~
 - ~~ii. 75% shall be designated for scholarships~~
 - ~~iii. 15% shall be re-invested based on proportion amount (named scholarships and available funds for each). This will assure that named scholarships will continue to grow and at the very least, they will maintain their purchasing power~~
 - ~~iv. Any amount of the 10% that is not used for the expenses can be distributed as follows at the Discretion of the Board of Directors.~~
 - ~~1. Allocate the unused funds into the Reserve account for future expenses~~
 - ~~2. Allocate proportionately to each Endowment Fund account for available scholarships for that year~~
 - ~~v. As market and economic conditions change, the Treasurer may recommend modifications to the then-existing disbursement formula (see 9.4.3.h) and request the approval of the Board.~~
- ~~i. In addition to distribution of dividends and interest for Scholarships, the Education Foundation Board shall have the option of using up to 50% of the previous 5-year average of portfolio's investments value change (market growth) strictly for scholarships. In calculating the proportionate amount of additional scholarship funds available for each Endowment Fund, the total amount of all Scholarships awarded from the yearly Dividends, plus 75% of E-Club proceeds, plus percent of average allowed growth, when subtracted~~

- ~~from the total investment year end balance, the resulted balance shall be above the year end established Baseline. Otherwise, the percent of growth used must be reduced. The Baseline, shall be the total amount of all the donors original amount donated and any additional contributions to their principal amount. Furthermore, the Baseline shall reflect the rate of inflation each year.~~
- ~~j. Manage the scholarship funds to be perpetual in nature.~~
- ~~k. New Scholarships: In order to participate in the growth of the portfolio on proportional bases, funds must be under the control of the Foundation from January 1 of the previous year of which the funds are distributed~~

Section 9.4 – Funds to be used Scholarships and other purposes (replacement section)

Each year, the total amount of scholarships, the scholarship purposes and the dollar amount of scholarships to be awarded will be determined by the Board of Directors considering educational programs to be supported and funds available and committed at the time the determination is made.

Contributions to the Foundation will be considered Endowed funds, temporarily restricted funds, or unrestricted funds as follows:

1. Endowed funds will be used as specified in the Named Endowed funds of these bylaws.
2. Temporarily restricted funds will be used for the purposes for which they were given.
3. Unrestricted funds may be used to cover the expenses of the Foundation or for scholarships or for any other purpose deemed appropriate by the Board.

Eclub: A Program (currently the “Eclub”) may be maintained for the purposes of raising immediately available scholarship and unrestricted funds. Contributions to the Program will be used as specified by the board, currently:

1. Seventy-five percent (75%) will be temporarily restricted for scholarships to be used in the current or upcoming year(s).
2. The remaining twenty (25%) is unrestricted and may be used for scholarships or any such other purpose of the Foundation.

Eclub funds as of 1/1/25: The Board will make a reasonable effort to identify the amount of Eclub funds which are endowed; temporarily restricted for scholarship use; and unrestricted. No Program (Eclub) contributions received after the adoption of this provision will be added to the Endowed funds.

Prior restricted Eclub funds may be drawn down in accordance with the provisions of Section 10.10 covering Named Endowed Funds.

Allocation of annual total return on endowed investments: The Board expects a long-term average total return of 6.65% on endowed funds, considering dividends, interest income and appreciation, net of investment fees.

The total annual return for a year will be allocated to Endowed funds in proportion to their balance as of January 1 of the year, unless the Board believes and approves another method as appropriate because of the circumstances – ie a disproportionately large donation is made by a

donor during the year. In such a case it may be more appropriate to separately invest such funds or use the average balance rather than beginning balance for that donor.

When determining funds available for use from Endowed Funds, each year the Board will use the following guidelines:

1. Five percent (5%) of the previous 12/31 year end asset balance of the endowed fund will be designated for the current year scholarship awards.
2. 0.65% of the asset balance will be designated and moved to unrestricted funds.
3. The remaining return, expected to average 1% per year, will be combined the principal balance of the Endowed Funds for long term growth of the funds.

The above equals the expected long-term annual return of 6.65%.

The Board recognizes that due to market conditions, the Endowed Fund balance may fluctuate significantly from year to year. However, it is the goal of the Board to maintain and grow endowed funds and to grow annual scholarship grants.

To the extent that actual total investment return varies from 6.65%, the board may use up to 75% of the return in excess of 6.65% for additional scholarships in the current and following year; provided that the following year also has a return above 6.65%. No additional funds above 5% of the year end asset balance may be used in any year where the prior three-year average return is below 6.65%.

9.5 Scholarship Scoring Methods:

The Scholarship Committee has the responsibility of developing and maintaining the tables for the purpose of Application Scoring. Any changes /updates to the tables need Board Approval:

1. University Level Points Values form
- ~~2. University Level Need Points Values form~~
- ~~3.2. High School Level Points Values form~~
4. ~~Baryames Scholarship High School Points Values form~~

~~X Financial Policy (Comment: the investment policy is not typically in by-laws because it may need to be updated more quickly based on market needs. For that reason, it is being eliminated in the bylaws and replaced with the following)~~

10.1 Investment Policy Statement

10.2 The Foundation's Investment Policy shall be prepared by the Investment Committee and approved by the Board.

~~10.1 Investment Policy Statement~~

~~10.2 The AHEPA Education Foundation has adapted the following Investment Policy Statement on June 16, 2012, in an effort to guide the Investment Policy Committee in making future investment decisions. Although markets are in constant flux, the stated desired objectives, rates of return, and~~

~~allocations of the investment portfolio shall provide some continuity on how the~~

~~10.3~~

~~10.4 investments are managed. This Investment Policy Statement shall always be flexible and amendable by the Foundation Board.~~

~~10.5 Primary Objective~~

~~10.6 To invest in income generating investments with long term capital growth prospects and adhering to the re-investment policy described in section 9.4.h.iii~~

~~10.7 Target Rate of return~~

~~10.8 A targeted rate of return that is at least 2% plus the annual inflation rate.~~

~~10.9 Time Horizon Perpetuity~~

~~10.10 Investments of Funds / Asset Allocation Guidelines~~

~~10.11 The Board will appoint an Investment Committee consisting of one representative each from the Daughters of Penelope and the AHEPA and the current Treasurer of the Foundation (see 5.7).~~

~~10.12 The Foundation will be funded with:~~

~~10.13 Funds designated as education scholarship funds by the AHEPA and Daughters at the inception of the Foundation~~

~~10.14 2. Future funds raised by the District Lodges of the AHEPA and Daughters for scholarship~~

~~10.15 Purposes~~

~~10.16 Any monetary awards from National Foundation~~

~~10.17 Any property, real or personal and other funds contributed, donated, or bequeathed to the Foundation.~~

~~10.18 Investment guidelines~~

~~10.19 The responsibility of the Investment Committee will be to work with the Foundation's broker/investment representative to invest and administer the Foundation's funds according to the guidelines set forth below. In fulfilling this responsibility, the Investment Committee will invest the Foundations' entire portfolio and value funds, with each individual scholarship fund represented as a percentage of the whole, as follows:~~

~~10.20 No new funds shall be purchased in tax exempt, tax deferred, tax free or tax managed mutual funds or securities or any kind of annuities (fixed or variable) except tax exempt government guarantee bonds.~~

~~10.21 No funds shall be invested in proprietary products of any kind, including funds and investment products issued or managed by the current broker/investment representative's firm or broker /dealer, and any investment vehicle which is being underwritten or initially offered in any fashion by said broker/investment representative's firm or broker/dealer~~

~~10.22 The cash component of the portfolio should target between 5% and 10% of the total value of the portfolio.~~

~~10.23 No funds shall be invested in puts, calls, covered calls and other option investments~~

~~10.24 The equity investment of funds in common and or preferred stock, including ETFs (Exchange Traded Funds) and mutual funds, shall not be less than 60% of the fund and not more than 80% of the value of the entire portfolio with no more than 5% total exposure in any one stock in any company or entity.~~

~~10.25 The investment of funds in fixed income (individual bond issue, ETFs, mutual funds, corporate other similar products shall not be less than 20% or greater than 40% of the value of the entire portfolio~~

~~more than 5% total exposure invested in any one individual issue or company~~

~~10.26~~10.1

- ~~1. The investment of the Foundation's funds in bond instruments as specified in subsection (10), above, shall be limited to investment grade or higher as rated by Moody's (Baa or higher), Standard and Poor's (BBB or higher) or Fitch (BBB or higher)~~
- ~~2. Money Market Funds (MMF) and Certificates of Deposit should not be considered investment vehicles, but shall be utilized to hold funds for unspecified and unrestricted periods of time until a suitable investment can be identified~~
- ~~3. The remaining portion of the portfolio (40%) not invested as set above shall be invested in mutual funds. Every effort shall be made to diversify the portfolio between value, growth, growth and income, and global and straight income funds as seen fit at the discretion of the Investment Adviser with the concurrence of the Investment Committee based on the current market conditions. Open end mutual funds, Exchange Traded Funds (ETFs) and Closed end mutual funds will be covered under the definition of "funds" and shall be used for indexing, allocating to an investment area where individual securities are not appropriate or feasible. The use of Morningstar and other such services should be used as an indication of the fund manager's past accomplishments and not an indicator of future performance.~~
- ~~4. Any of these guidelines may be waived or amended by the Investment Committee upon recommendation of and the approval of the Board, on an investment by investment basis, based on current economic, fiscal or other circumstance deemed relevant and necessary at the time.~~
- ~~5. A Registered Investment Adviser may be employed based on the discretion of the Board. By law, the fiduciary duty requires the investment adviser to act in the best interest of the clients, putting the clients' interests ahead of their own at all times. The investment adviser is required to provide up front disclosures of his/her ' qualifications, services, compensation, range of fees, methods of analysis, and any possible conflicts of interest.~~

~~10.27~~10.2 Fundraising

The Board ~~shall~~ may engage in fundraising activities on behalf of the Foundation and may solicit contributions, donations and bequests on behalf of the Foundation.

In fulfilling this responsibility, the Board ~~Shall~~ may :

- ~~1. Develop and disseminate fundraising materials to potential donors and benefactors~~
- ~~2. Have authority to conduct fundraising events, including, but not limited to, dances, dinners and raffles~~
- ~~3. Have the authority to create programs which recognize the efforts of donors and benefactors .~~
- ~~3.4. Take other actions it may deem appropriate to raise funds.~~

~~10.28~~10.3 Expenditures

I. A budget for the following year shall be prepared by the Treasurer and approved by the Board of Directors by November 30 of the current year.

~~2. See Article 9.4 for expenditures and limits~~

~~3-2. No paid positions are allowed for members of the Board.~~

~~10.29 Bequests~~

~~The Educational Foundation Board will administer all bequests (Comment: not necessary, covered as part of receipts)~~

~~10.10 Minimum Contributions for Endowed Scholarships (Comment: see the entire new section included)~~

~~The contribution to achieve an endowed scholarship shall be \$10,000. The "Minimum Endowment" to achieve an endowed scholarship shall be determined by the Board. (\$10,000.00 in 2018). If the net annual earnings on this contribution as set by the board are less than the minimum scholarship amount, the donor may be contacted and encouraged to either contribute to whatever is necessary to bring the scholarship to the minimum amount or forego the issuing of an award for the year. Scholarship committee shall contact donors who they deem may agree to combine net earnings to award a single scholarship in their combined names. In addition, any donations towards a perpetuating scholarship which is less than Minimum Endowment shall be accounted for separately until the Minimum Endowment balance is met either through additional contributions or growth through reinvestment of un-awarded funds. If the founders of an endowed fund are non-responsive in a reasonable amount of time, and the fund does not achieve or falls below the Minimum Endowed balance or receives no additional principal fund contributions for 5 years and cannot meet the minimum scholarship award from its earnings, the fund may be combined with other named accounts and the donors shall be recognized in aggregate to produce the minimum scholarship amount.~~

~~Any monetary contributions to an Endowed fund are the property of the Educational Foundation and cannot be returned to the donor(s).~~

10.10 Named Endowed Fund Scholarships (Replacement Section)

The "Minimum Endowment" to achieve a Named Endowed Fund scholarship shall be determined and may be updated by the Board at any time. The Minimum Endowment may be met by immediate contribution or through a pledge with annual payments spread over no longer than 10 years.

If the net annual earnings on Named Endowed Fund are less than the annual minimum scholarship amount as determined by the Board, the donor may be contacted and encouraged to:

1. Either contribute the amount necessary to bring the scholarship to the minimum amount or
2. the earnings may be added to other amounts available for scholarships to meet the annual minimum scholarship amount as set by the Board.

Information related to all Named Endowed scholarships will include:

1. Name of the donor, and contact information
2. Year that the Named Scholarship was established
3. Name of the scholarship to be issued under
4. Initial amount donated
5. Subsequent amounts donated
6. Current amount (end of fiscal year)
7. Balance remaining to justify Named Scholarship requirement

Depleting an Endowed Fund: If the Founder or a Founder's designee of a Named Endowed Fund:

1. is non-responsive for twenty four months **and**
 2. the fund does not achieve or it falls below the then current Minimum Endowed balance
- OR**
3. the fund receives no additional principal fund contributions for two (2) years and
 4. cannot meet the minimum annual scholarship award from its earnings,

then:

- a. the earnings of the Named Endowed Fund may be combined with other named accounts and the donors shall be recognized in aggregate to produce the then current annual minimum scholarship amount determined by the Board.

And/or

- b. the principal of the Named Endowed Fund may be used to make a minimum annual scholarship each year until the Named Fund is fully depleted.

Once depleted, the Foundation may recognize the depleted Named Endowed Fund in a list of prior donors or in any other manner it deems appropriate.

Any contributions to a Names Endowed Fund are the property of the Educational Foundation and ~~will not cannot~~ be returned to the donor(s).

XI Fiscal Matters

11.1 Fiscal Year

The fiscal year of the Educational Foundation shall be from January 1st to December 31st.

11.2 Segregated Fund

All funds of the Educational Foundation shall be maintained ~~as a separate segregated fund in the name of the Foundation~~ and shall be deposited in such banks or other depositories as the Board of Directors may select.

11.3 Check Signatures

~~Two (2) Signatures shall be required on all checks of the Educational Foundation bank account. The signature of Treasurer shall be one of the required signatures and either the Chairperson of the Board, or the Vice chairperson~~ (Comment: More flexibility and clarity needed)

The Board shall select no fewer than three authorized check and investment account signors. Two (2) Signatures shall be required for any disbursement or transfer of funds. All disbursements or transfers must have prior board approval. Recurring transactions may be approved in advance by the board..

11.4 Annual Report Comment: Deleted here because these are already adequately covered above in the detailed Responsibilities of the Chair, Executive Director and treasurer)

1. The Executive Secretary shall present a report at mid year District Conference and a written report at the District Convention see 5.6.5

2. The Treasurer shall present a written report at mid year District Conference and at the District Convention as specified in article 5.7.3

11.5 Public Inspection

The financial records of the Educational Foundation shall be available for inspection in compliance with the 501 (c) 3 status (Comment- not needed, required by law)

11.6 11.5 Audit

The Board of Directors shall cause the financial records of the Educational Foundation to be reviewed or audited annually

11.7 Indemnification

The Corporation shall indemnify any person not exempt by law for official acts according to the rules set forth in Article VIII of this Corporation By Laws (see VIII) (Comment: Already covered in greater detail above)

XII Amendments

12.1 Methods

These By Laws may be reviewed for change by a majority vote of the voting Board of Directors and approved at the annual District Convention

These By-laws may be amended by a two-thirds majority vote of the Board, provided a quorum is present.

Amendments take effect after majority approval at the Annual District Convention. Amendments may be approved by the Convention in their entirety or by section. but amendments approved by the Board may not be revised at the convention.

Original Document: ...Date: June, 1975

Amended: DateJune, 2007

Amended: DateJune, 2012

Amended: DateOctober, 2015

Amended: DateMay 18, 2019

Amended: DateMarch, 2022

XIII Dissolution

13.1 Dissolution

Upon dissolution, all assets of the Educational Foundation remaining after all debts and any other obligations have been met shall be designated to the order of AHEPA National Educational Foundation for the purpose of awarding scholarships in the name of the Named Scholarships

Donors and or District #10 in general to District #10 applicants only.