

Lonestar Mensa
Action Still In Effect 2007-10-02
Education Program Funding
2007 October 3

1. **Purpose.** Lonestar Mensa established an Education Fund, a Scholarship Endowment, and a Scholarship Escrow to support the Education Program.
2. **Education Fund.** Beginning 2007 October 1, the Education Fund principal is established at \$6000 and the interest rate at five percent to provide \$300 per year or \$25 per month to support the Education Program. The interest is added to Education Program Revenue each month. Each year during the budget process, the ExComm shall set a monthly supplement to the program along with those of other programs. The ExComm may change the principal and interest rate as it desires making compensating changes in the supplement. Unused interest shall revert to the LSM treasury at the end of each year along with other unused program revenue.
3. **Scholarship Endowment.** Beginning 2007 October 1, the Scholarship Endowment fund principal is established at \$6000 and the simple interest rate at five percent to provide \$300 per year or \$25 per month to support the annual scholarship award. The Scholarship Endowment is restricted to generating interest to support Scholarship Awards. Interest from the Scholarship Endowment at the established rate is deposited in the Scholarship Escrow account and may only be used for scholarship awards. The ExComm may change the interest rate and increase the endowment principal but may not lower the principal after the higher amount has been established.
4. **Scholarship Escrow.** The Scholarship Escrow is established to hold funds payable to an annual scholarship winner in May of each year. The Scholarship Escrow is funded by donations, LonestaRG raffles, interest on the Scholarship Endowment, and other deposits made during the year. Funds in the Scholarship Escrow may only be used for scholarship awards.
5. **Procedures.** Each year at the October meeting, after the RG, the ExComm shall decide how much the Scholarship award(s) will be for the following May. This decision will be based upon current and projected amount in the Scholarship Escrow including allocated interest from the Scholarship Endowment. (With a principal of \$6000 and a simple interest rate of five percent, \$150 would be added to the Scholarship Escrow from October through April.) If, at the time of the annual budget process, it is foreseen that the Scholarship Escrow will not have sufficient funds to support the scholarship award when it is to be paid; the ExComm shall budget additional funds to be added to the escrow account to make up the difference.
6. **Donations.** Donations, gifts, and other funding designated for or advertized for scholarships shall be deposited in the Scholarship Escrow and may be used only for scholarship awards.
7. **Dissolution.** In the event that Lonestar Mensa is dissolved, decides to let MERF administer our scholarship program, or decides not to award scholarships in the future, the funds in the Scholarship Endowment and the Scholarship Escrow shall be transferred to the American Mensa Education and Research Foundation (MERF) to be used for scholarship awards. Since Education Fund is not fully restricted, its funds may be reallocated to other Mensa activities.