



CHAPTER FUND GUIDELINES

I. Chapter Funds

The Sinfonia Education Foundation (the “Foundation”) will create and administer a separate Chapter Fund (a “Fund”) for the educational or charitable benefit of an individual chapter of Phi Mu Alpha Sinfonia (a “Chapter”) upon execution of a Chapter Fund Agreement. Contributions by donors to the Foundation may be designated for a specific Fund. These contributions are tax-deductible by the donor.

II. Purposes of Funds

Under any and all circumstances, the principal and income of a Fund must be used exclusively for charitable or educational purposes. Permissible purposes include, but are not limited to, the following examples:

- establishing scholarships
- providing awards, incentives and scholarship recognition
- purchasing educational materials and equipment
- subsidizing costs for chapter member attendance at Fraternity educational events
- and for other educational or charitable initiatives

Chapter Funds can also allow chapters to build one or more endowment funds to support charitable or educational programs and scholarships in perpetuity. Chapters wishing to transfer all or a portion of their Chapter Fund into an endowment fund must follow the guidelines set forth in the Foundation’s gift acceptance policy and endowment fund guidelines. Generally, this requires a minimum amount for eligibility for the transfer, the approval of the Chapter’s Executive Committee to approve the purpose of the endowment, the execution of an endowment fund agreement, and the withdrawal of the assets from the Chapter Fund for transfer into the endowment. Chapters interested in endowment funds should contact the National Headquarters for more information on these types of funds.

Chapters may fundraise for their fund in a variety of ways, such as events, alumni weekends, direct solicitation, etc.

To the extent practical, the Fund and its proceeds will be distributed for the educational or charitable benefit of the designated Chapter. Should such purpose become unnecessary or inappropriate at some future time as determined in the sole discretion of the Foundation, the Foundation shall be entitled to redirect all or any portion of the Fund or its proceeds to some other purpose or purposes consistent with the intent in creating the Fund..

III. Creation of a Fund

- A. Chapter Fund. A Chapter Fund may be created by a Chapter currently in good standing with Phi Mu Alpha Sinfonia. The Fund will be created upon the execution of a Chapter Fund Agreement between the Foundation and the Chapter. Chapters may annually apply for grants up to 50% of the fund's balance as of the end of the previous fiscal year and 75% of the funds raised during the current fiscal year. Any interest generated on Chapter Funds will be deposited into the Chapter Fund.
- B. Length of Approval Process. Approval of the establishment of a Fund may take a minimum of thirty (30) days to process. During the approval process, the Foundation may ask the Chapter for additional information.

IV. Contributions to the Fund

All contributions to a Chapter Fund should be made directly to the Foundation noting the designated Chapter and Fund. Contributions should not be made to Phi Mu Alpha Sinfonia Fraternity or the individual Chapter. All contributions become the exclusive property of the Foundation to be used for educational or charitable purposes as described in these guidelines. Contributions made to chapter funds will be treated as restricted gifts and deposited in the Chapter's Fund. Contributions to a Chapter Fund cannot be further restricted to specific chapter projects.

Chapters may have both a Chapter Fund and one or more Endowment Fund(s). Each Fund will be governed by individual agreements between the Chapter and the Foundation. In the event that a Chapter has more than one fund of any kind, the donor must specify in which fund their donation is to be placed. In the event that no specification is made and it is clear that the donor intended the contribution for a chapter fund, the donation will go to the Chapter Fund for which the donor was a collegiate member.

V. Distribution Procedure

- A. Chapter Fund Distributions. To request a distribution from a Chapter Fund, a Chapter must make a written grant request to the Foundation using the SEF Chapter Fund grant application. The grant application must be complete and contain adequate and sufficient information in order for the Foundation to determine whether the distribution is for educational or charitable purposes. If the Foundation determines, in its sole discretion, that the distribution would be for educational or charitable purposes, the Foundation will distribute the requested funds to the Chapter. Not more than 50% of the balance of a Chapter Fund as of the end of the previous fiscal year and 75% of the funds raised during the current fiscal year may be distributed to the Chapter during a given school year.
- B. Chapter Approval of Distributions. Chapters requesting funds will require the approval of two-thirds (2/3) of their active members as well as their faculty advisor as designated on the Chapter Fund grant application.
- C. Timing for Distributions. Requests for distributions from Chapter Funds will be evaluated on a rolling basis. Requests must be received at least eight weeks prior to the anticipated program date. Requests not received within this time frame will be rejected.

- D. Monitoring of Distributions. Once a distribution has been made, the Foundation will require a written report or other documentation from the Chapter or other authorized body representing the Chapter to verify the educational or charitable use of distributions from the Fund within 30 days of the disbursement or as requested by the Foundation.

VI. Other Responsibilities of Recipients of Distributions

- A. Segregation of Assets. If a distribution from a Chapter Fund is not expended upon receipt, the distribution must be kept in a separate account segregated from the other assets of the recipient.
- B. Record Keeping Requirements. The recipient of distributions from a Chapter Fund must keep adequate written documentation of the use of distributions to demonstrate the educational or charitable use of such funds.
- C. Repayment. If the Foundation reasonably determines that a distribution from a Fund has not been used for educational or charitable purposes or if the approved purpose costs less than the disbursement, the recipient of the distribution is liable for repayment to the Foundation of any distribution, or part of a distribution, not used for educational or charitable purposes.
- D. Sanctions. If a Chapter is found to have violated this Policy, sanctions could be issued including but not limited to a suspension of the Chapter's ability to request distributions from their Chapter Fund or appropriate legal action.

VII. Responsibilities of the Foundation

- A. Receipt of Contributions. The Foundation will receive and deposit all contributions designated for a particular Fund. The Foundation will provide written acknowledgment to the donor of the contribution as well as a copy of the program guidelines, which includes notification of the terms of the program.
- B. Investment of the Fund. The Foundation will invest a Fund as it deems appropriate for the purposes of such Fund.
- C. Written Reports. Annually, each Chapter will receive an accounting from the Foundation showing all funds received and disbursed from Chapter Funds. These reports will be generated no later than ninety (90) days following the close of the fiscal year.
- D. Fees. The Foundation will charge an administrative fee for Chapter Funds. This fee will be used to cover administrative expenses such as document preparation fees, annual accounting and auditing fees, and program administration costs.
 - 1. Chapter Funds. Ten percent (10%) of each gift shall go the Foundation's General Fund.

2. Costs. In addition, the Foundation is entitled to reimbursement of any out-of-pocket costs or expenses paid or advanced in connection with the administration of a Fund.

E. Fundraising Resources. The Foundation will provide resources to assist a Chapter in fundraising for their Chapter Fund. The Fraternity's staff can assist the chapter in identifying and informing the chapter's alumni of the existence of the Fund.

VIII. Termination of a Fund

A chapter that is placed on inactive status or whose charter is revoked, and is not reconstituted as a Chapter or colony within ten (10) years, will have their fund closed and the funds transferred to the Foundation's General Fund to benefit other Foundation programs.

The Foundation may terminate a Chapter Fund if, in its sole discretion, the Foundation determines that the continued administration of the Fund is not economically reasonable or in the best interests of the Foundation. Upon termination, the Foundation shall distribute all assets then remaining in such Fund in accordance with the Chapter Fund Agreement or in such manner as determined by the Foundation, in the Foundation's sole discretion.

For more information about the Chapter Fund Program please contact us at:

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