



## Agreement to Endow

### **NSPC Endowment for Excellence Fund**

#### **I. ESTABLISHMENT**

The National String Project Consortium (NSPC) hereby establishes the **NSPC Endowment for Excellence Fund**, hereinafter referred to as the “fund.” When established, the endowment’s principal, income and its support grants will be managed by the Board of Trustees of the National String Project Consortium under the guidance of their fiduciary agents who hold the fund. Once initially funded, grants may be awarded annually in accordance with the purposes listed below in the agreement.

#### **II. PURPOSE**

The income generated by the principal shall be used to provide sustainable support for the NSPC in perpetuity. The endowment is created to assist in making grants and awards to qualifying string projects and for other special projects as determined by the NSPC Board of Trustees, such as (but not limited to):

- A. Scholarships for string project teachers to attend NSPC events, such as the annual meeting at ASTA
- B. Support for string projects to offer special activities beyond their annual budget
- C. Support for NSPC special activities beyond their annual budget
- D. Additional support criteria may be determined by the NSPC Board of Trustees
- E. The NSPC Board of Trustees may create a committee to report the endowment’s performance and to recommend endowment grants and expenditures.

#### **III. FUNDING**

The NSPC Endowment for Excellence fund will become operational upon receipt of a **minimum of \$25,000** in total gifts and deposits. All gifts received by the NSPC for this endowment are non-refundable to the benefactor. The fund will receive gifts to the NSPC designated as endowment gifts, and also may receive other income as designated by the Board of Trustees.

#### **IV. INVESTMENT**

All assets of any type contributed to the fund shall be held in perpetuity and invested and reinvested in accordance with the investment policies adopted by the fund’s fiduciary manager and the NSPC. Only income and net gain earned by the fund may be distributed. Any other distributions from the fund are expressly prohibited.

Once the endowment fund reaches the \$25,000 level, the newly endowed funds shall be invested for one full investment cycle. Earnings shall be calculated at the end of the fiscal year following the initial investment cycle and grants and awards may be made consistent with the endowment purposes.

Endowment Income not distributed by fiscal year end shall be re-invested and considered thereafter as principal.



It is further understood that if the minimum endowment level of \$25,000 is not reached by **June 1, 2025** the NSPC will keep the funds in an income earning reserve fund and restart the fundraising process in attempts to fully fund the endowment. If for any reason an endowment is not established, then the funds may only be used for educational and general purposes consistent with the NSPC's non-profit operations.

## V. FUTURE CONSIDERATIONS

If at any time the selection criteria of the endowment proceeds become contrary to law or to NSPC policy, as determined by the NSPC, or conditions render impractical the awarding of a grant, the Board of Trustees may elect to not distribute fund income that year, and begin grants after the fund's criteria are brought into appropriate compliance with NSPC policy and U.S. law.

In the event of a permanent and final dissolution of the National String Project Consortium while holding ownership of the Fund, without any successor to such entity being created or provided, then in such event all assets held in the Fund shall be distributed only to an entity that is then tax exempt under Section 501 ( C) 3 of the Internal Revenue Code of the United States of America and is located in the United States of America. Any such distribution shall be made, in whole or in part, only to a then existing or a then created permanent endowment fund of any or all of the following entities, provided any such entity is then tax exempt:

- The American String Teachers Association
- The National Association of Music Merchants (NAMM) Foundation

## VI. CONCLUSION

The undersigned hereby attest that on the 21st day of August, 2021, this Motion creating the NSPC Endowment for Excellence Fund was adopted and approved in its entirety by a majority of the then actively serving members of the Board of Trustees of the National String Project Consortium, all of whom were lawfully elected to their respective offices in accordance with the By-Laws of the NSPC.

August 21, 2021  
Date

Elizabeth Chappell

Eugene Dowdy

Elizabeth Reed, Ex. Director, NSPC

Blair Williams  
NSPC Endowment Committee Members