

THE PHILOLEXIAN FOUNDATION

STATEMENT OF PURPOSE AND SPENDING PROPOSALS

In order to further clarify the means by which the Philolexian Foundation (the “Foundation”) proposes to carry out the purposes outlined in its certificate of incorporation and by-laws, the board of directors of the Foundation (the “Board”) has adopted this Statement of Purpose and Spending Proposals (this “Statement”). This Statement is not intended to bind the Foundation or the Board. Rather, it is intended as a description of the goals which have motivated the establishment of the Foundation and from which prospective donors may evaluate the character and worth of the Foundation. Any number of circumstances, including but not limited to a change in the membership or purposes of the Philolexian Society (the “Society”), a change in the social or educational atmosphere of Columbia University, or receipt by the Foundation of contributions less than or in excess of those anticipated, may alter the vision outlined in this Statement. The Board retains the right and the responsibility to act according to its best judgment to use the Foundation’s funds in the best interests of the Society and the Foundation.

I. Endowment Structure

Unless otherwise specified, any funds contributed to the Foundation become part of a general endowment (the “Endowment”) for the benefit of the Society. It is expected that in most cases the disbursements of the Foundation will be limited to interest or earnings on the Endowment. Pursuant to the Foundation’s by-laws, the Board may, by unanimous vote, use the principal amount of the Endowment, but because of the small projected size of the Endowment and the Board’s inability to predict future donations without further history and data regarding the fund-raising potential of the Foundation, it is expected that draws on the principal amount of the Endowment will be extremely rare. Donors who desire to have the entire amount of their donations (disregarding the principal/interest distinction) spent for a given purpose may specify such purpose, for which the Board or the treasurer of the Foundation (the “Treasurer”) may establish a Special Fund as described in Section IV of this Statement.

II. Uses of Interest on the Endowment

Because of the breadth of the Society’s activities, the possible uses of the Foundation’s funds in support of the Society’s educational purposes are limited only by the amount of funds to which the Foundation has access. The following list roughly outlines programs which the Board is likely to consider funding out of the interest from the Endowment. Unless expressly indicated, the proposals are set forth in no particular order, and no one proposal is allocated a higher priority than the others. Even to the extent a priority is expressly indicated, as discussed in the introduction above, nothing herein is intended to be binding on the Board.

A. Improvement of *Surgam*. The Society has, since 1986, published a quality literary magazine entitled *Surgam*. *Surgam* has drawn on the considerable writing and artistic talents of the Society’s members and alumni, as well as the Columbia community at large, to produce an engaging, interesting and provocative annual or biannual collection of works. Unfortunately, *Surgam*’s quality of printing, subject to the confines of the student activities

budget at Columbia, does not rise to the level of its contents. Providing funds for a more appealing and durable publication of *Surgam* is within the realistic budget expectations of the Foundation, and would increase the Society's profile and credibility on Columbia's campus. The Board may also consider allocating funds to distribute copies of *Surgam* to all of the Foundation's record members.

B. Philolexian Pins. It has been common for new members of the Society, upon joining, to purchase pins bearing the Philolexian logo and motto. These pins help to connect new members to the Society's long traditions and help provide the Society with a sense of formality and prestige. Unfortunately, the pins are fairly expensive for the average undergraduate, and not all are able to participate. Subsidizing a pin for each newly inducted full member of the Society is within the realistic budget expectations of the Foundation, and would provide an important symbolic and moral boost to the Society in the carrying out of its educational purposes.

C. Alumni Newsletter. Many alumni of the Society wish to be kept abreast of current events and activities of the Society. Providing more and better information about the Society to its alumni would be good for both the alumni and the undergraduates, since it would strengthen the Society's strong sense of tradition and permanence among the undergraduates while giving the alumni better opportunities to participate when they can and wish to do so.

D. Travel, Conferences, and Competitions. As a well known literary and debate society, the Society has often had the opportunity to participate in inter-campus debates and conferences, most notably involving the Philomathean Society of Pennsylvania University, and the American Association of Collegiate Literary Societies. The Foundation would like to encourage more active and frequent participation by the Society in such events, so as to further expand the Society's outlook and introduce healthy competition to further raise the Society's level of discourse.

E. Graduate Fellowships. Many Philolexian alumni are engaged in prestigious research in the sciences, literature, philosophy, and other disciplines. Unfortunately, Columbia's need-blind, full-need financial aid policies are not often available to support this important work in the graduate community, whether such research is carried out at Columbia or elsewhere. If the Endowment reaches the point where enough interest is available to make a meaningful difference in the academic career of a Philolexian alumnus or alumna, the Board should consider establishing a graduate fellowship.

F. Columbia Named Scholarship. Columbia University has established a number of named scholarships to honor donors who have made its extensive financial aid program possible. If the Endowment reaches the point where enough interest is available to endow a named scholarship, the Board should consider doing so. In addition to further improving Columbia's financial aid program, such a named scholarship would increase the prestige and credibility of the Society on campus.

G. Lectures and Symposia. In furtherance of the Society's purpose to encourage discourse, if interest funds are available, the Board should consider establishing one or more annual lectures or symposia, wherein prestigious outside speakers would be invited to Columbia. Such formal events, to be attended by members of the Columbia and New York community

outside the regular membership of the Society, would supplement the Society's weekly debates and other events to further increase the overall level of discourse on campus and in New York.

H. Publications. If interest funds are available, the Board should consider republishing (i) out-of-print works once published by the Philolexian Society Press, (ii) works written by or about members of the Society, and (iii) new works by members and/or alumni of the Society.

I. Philo.org. In order to increase the cohesiveness of the Foundation in its capacity as the Society's alumni support network, if interest funds are available, the Board should consider some expenditures to increase the reliability of the Foundation's alumni database and ease of communication among Philolexian alumni. The first step in such a plan would be to establish a more robust internet presence for the "philo.org" and "philolexians.com" internet domains.

J. Dedicated Space Maintenance. In the event that significant draws are made on the principal of the Endowment to construct dedicated space for the Society, the Board should set aside some portion of the interest available from the remainder of the Endowment for the maintenance of such dedicated space.

K. Foundation Office. If all of the above are accomplished to the satisfaction of the Board, and there is still interest available on the Endowment, the Board may consider making some provision for an office for the Foundation. Such an office would centralize the record-keeping of the Foundation and improve communication with the Foundation's members and donors and with the Society's alumni. Such an office would preferably be located near Columbia's campus to provide the Society's members with easy access to the Foundation to present its needs, and to provide the Foundation with easy access to the Columbia bureaucracy. If economically more feasible than outsourcing, such an office might also house the internet facilities mentioned in item II(F) above.

L. Full Philolexian Benefits. With all expenditures, the Board should keep in mind the need to maintain and enhance the privileges of Full Philolexian status, including, inter alia, the Full Philo Coat Rack, the Linear Algebra Helpline, Symbolic Logic Tutoring, Employment Center, and Dating Service.

III. Uses of Principal of the Endowment.

As discussed above, draws on the principal of the Endowment are expected to be extremely rare, and can be accomplished only by a unanimous vote of the Board. Among the occurrences that may call for a disbursement from the principal of the Endowment are the following:

A. Dedicated Space. The administration at Columbia University treats the Society like any other student organization. Although this is a reasonable position for the administration to take from the administration's perspective, it fails to address certain special needs of our 200-year-old organization. Specifically, the Society has amassed a considerable collection of books, including a number of rare volumes, related to, or written or published by, the Society or one or more of its members. Furthermore, although the Society's makeshift use of

student meeting rooms and classrooms in Ferris Booth Hall, Hamilton Hall, and Alfred Lerner Hall have resulted in an enjoyable experience for all concerned, access to a more formal debating chamber, together with a proper display of artifacts from the Society's distinguished past (which artifacts are currently relegated to storage space either in the apartments of students and alumni or in the Columbian Archives), would raise the experience of participation to new heights. If the Endowment becomes unexpectedly large, the Board should give serious consideration to drawing on the Endowment to construct a library and debate chamber for the principal use of the Society, with other Columbia student groups obviously having access to the Society's dedicated space according to fair rules and procedures when not in use by the Society.

B. Special Fund-Raising Events. It may be appropriate on occasion to draw from the principal of the Endowment for the purpose of holding special fund-raising events that benefit the Society and the Foundation. Such disbursements would only be appropriate in situations where the donations resulting from the fund-raising event are reasonably expected to exceed the expenditures by a considerable amount. The Board should carefully scrutinize all such expenditures before providing the unanimous vote required to draw on principal.

IV. Special Funds.

At the request of donors, the Board may consider the establishment of one or more funds (each, a "Special Fund") for specific purposes benefiting the Society and the Foundation. Each Special Fund would be outside the restrictions on spending applicable to the Endowment, but would instead be governed according to terms agreed between the donor or donors and the Foundation. In all cases, the Board should ensure that the Foundation's obligations with respect to the purposes furthered by a Special Fund should be limited by the funds available in such Special Fund. That is, when a Special Fund is completely depleted, the Foundation should under no circumstances be obligated to use funds from the principal or interest of the Endowment or any other Special Fund to continue carrying out the purpose for which the Special Fund was established.

As a courtesy to donors, the Board should carefully and thoroughly research its budget needs with respect to the establishment of any Special Fund, so as to give the grantor of each Special Fund a realistic estimate of the extent to which the grantor's goal may be accomplished by the funds available. For instance, if a donor wishes to endow an annual lecture with \$10,000, the Board should carefully determine how many years such lecture will last until the Special Fund, together with any interest applied according to rules agreed between the donor and the Foundation, is completely depleted. The Board should not commit to a permanent endowment of any repeat expenditure unless the Special Fund involved produces sufficient interest, together with a reasonable cushion, to completely cover such expenditure without drawing on the principal of such Special Fund, or the principal of or interest on the Endowment or any other Special Fund.

When donations in *de minimus* amounts are received by the Foundation with specific instructions as to their use, the Treasurer may establish a Special Fund without action by

the Board. The Board may take action or amend the bylaws of the Foundation to establish guidelines regarding these *de minimus* amounts.