***The Georgetown Student Empowerment Fund***

***SEF***

Working Group (add yourself!): Senator Hamilton, Senator Nugent, Senator Arias, Senator Volpe, Senator Bazail-Eimil, Senator Dubke, Senator Dai, Senator Moreno, Senator Mahmud

**Things to consider:**

\*How much of the SAF to redirect towards a student endowment each year

\*Sunset clause for the reallocation

\*Guidelines that will yield the targeted return without taking on too much risk

\*How investment decisions will be made

\*Guidelines as to how much of the endowment can be spent per year (standard rate is 5%)

\*How decisions are made as to what we will spend it on

**Example:**

\*$20,000 drawn down per year

\*Target annual ROI of 10%

\*Prohibition on spending until Year 16

\*5% spending cap per year starting Year 16

Year 1: 22,000

Year 2: 46,200

Year 3: 72,820

Year 4: 102,102

Year 5: 134,312.2

Year 6: 169,743.42

Year 7: 208,717.76

Year 8: 251,589.54

Year 9: 298,748.49

Year 10: 350,623.34

Year 11: 407,685.68

Year 12: 470,454.24

Year 13: 539,499.67

Year 14: 615,449.63

Year 15: 698,994.60

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Year 16: 790,894.06 - 751,349.36 = 39,544.7

Year 17: 848,484.30 - 806,060.08 = 42,424.22

Year 18: 908,666.09 - 863,232.78 = 45,433.31

Year 19: 971,556.06 - 922,978.26 = 48,577.80

Year 20: 1,037,276.09 - 985,412.28 = 51,863.81

**Example:**

\*$50,000 drawn down per year

\*Target annual ROI of 10%

\*Prohibition on spending until Year 16

\*5% spending cap per year starting Year 16

**Important Links**

* <https://app.box.com/v/GUSA/file/1211871267>
* <https://app.box.com/v/GUSA/file/728911826>

**11/24/2019 Notes:**

* Who is running the fund?
  + Investment Office (Student managers with administrative oversight)
* Who determines when the money is pulled out to invest?
  + Maximum 5% withdrawal after the period of prohibited withdrawal of 15 years
  + Ability to withdraw given a specified annual growth in assets
  + Withdrawal over the 5% must require a two-thirds vote
  + Money spent from the Endowment must go to projects that will have a lasting impact - must be reasonably achievable
* Want to make this sustainable (don’t want GUSA to pull out too early a la 2011)
* Alumni Fundraising
* What is the long term goal?
  + Fund student projects (HFSC)
  + Replace student activities fee (would need to hit 25 million fund for 4% return to cover annual budget)
  + Public campaign funding
* Put some in treasury bonds? Concerns about what kinds of conditions we can impose upon the administration, but similarly concerns about them potentially investing poorly.
* 4% from SAF to put into the fund
* Naming of the Fund
* Model of putting money into fund
  + 3% of predicted SAF + any extra funds from students
  + 5% of SAF
* We also need to fund GUSA! #printing #salaryforSenateExecOfficer
* Amend constitution?
  + Need at least 25% turnout for referendum
* Finance & Appropriations oversight of Endowment Management
* Fundraising committee to

[**LINK TO BYLAWS DOCUMENT**](https://docs.google.com/document/d/1Kp2bW4sPQpUaMb8eQg4gEPlrDAhgERCqTlap3C5IJmc/edit#)

**Talking Points**

* University will only listen to students if we have financial leverage
  + “Money Talks”
* Allows for student dreams to be actualized
* A step towards student autonomy
  + Could help with GU272
* Gives power back to the students

Bylaws Drafting (Bazail, Mahmud, Volpe)

Talking Points, Marketing (Volpe, Dubke)

Meeting with Investment Office

[Candidate Names for SEF](https://docs.google.com/spreadsheets/d/1AbJFk5pLVcaTOUBsQex_JnKiQqi8sJaMofbF3sNCX-w/edit#gid=0)