

D h u k u t i

T H E N E W S L E T T E R O F B N K S E N D O W M E N T F U N D

KEY SUCCESSSES

- Registered as 501 (c) organization with IRS in 2017, with Maryland in 2015 and in New York state on 2018.
- Opened Vanguard Fund account.
- Received pledge of \$75,000
- Raised a total of \$70,000

MEET OUR NEW BOARD MEMBERS

We are very thankful to Dilli Paudel (358C) and Poonam Maharjan (982B) for devoting their time and expertise in establishing BSEF in the last two years. Their contribution was immense, and we wish them all the best in their future endeavors.



Preeti is the VP of Marketing at Fusemachines, Inc., an artificial intelligence company based in NYC. She has an MBA from UBC in Canada and undergraduate from University of Tennessee in the US. She has worked in diverse industries like tech, energy, banking, non-profit, etc., in Nepal, Singapore and the US.



Praveen currently is the Director of research and consulting at Market Strategies International in Eugene, OR. He received BSc in CIS in 1992 from University of Manchester (UK) and MBA in 2003 from Willamette University (USA). He is an avid runner and participates in marathon throughout the year.

After a rigorous search process, which included reaching out to various members of our alumni, Praveen Chalise (794A) and Preeti Adhikary (873B) graciously agreed to join the board.

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ADVANCED FAQ

We heard from alumni asking critical questions about the accountability and ultimate liability of the funds raised by BSEF. For example,

- If BSEF is ever disbanded, who will be the ultimate beneficiary of the remaining funds?

- What internal safeguards are present to prevent current and future office holders from deriving personal benefit from the raised funds?

These questions are very

important that need to be clarified to all alumnus. As such, the BOD has prepared an advanced FAQ section that clarifies these and other critical questions about the fund. The Advanced FAQ can be found in our website.

INVESTMENT COMMITTEE REPORT (Q1, 2019)

The Investment Committee (IC) per the decision of the BSEF board of directors initiated its first investment in April 2019. Of the \$70,000 total funds raised in 2018 and Q1 2019, BSEF has invested \$66,500 in the capital markets.

BSEF has two primary investment goals:

- *Preserve and enhance the purchasing power of endowment assets*

- *Disciplined spending policy for capital preservation*

BSEF plans to invest the funds raised in a conservative manner to preserve capital and generate income. The long-run goal of the endowment fund is to generate ~5% return including capital gains and yield.

BSEF opened an investment account with The Vanguard Group, the largest mutual

fund company in the United States on January 2019. Our research concluded that The Vanguard Group provides lowest-cost option among different investment brokers with the widest investment options i.e. variety and number of mutual funds and exchange traded funds to investment with.

In line with BSEF's investment goals, the Investment Committee in consultation

with advisors decided to allocate about 50%-55% of capital in equity and remaining in fixed income. Given that members of the IC cannot actively trade securities for BSEF on a daily basis, IC decided to choose

Vanguard Balanced Fund Index which provided a very balanced exposure to equity and fixed income with low risk and generates annual yield of 2.3%.



FUNDRAISING COMMITTEE REPORT

We raised about \$70,000 in 2018 and Q1 2019, thanks to generous donations from over 120 alumni and other well-wishers. We would like to thank all of the donors to our cause. These funds are now invested in the capital markets in line with our investment strategy.

Funds were raised from 12

cities and through many channels. We raised over

- \$14,400 through Facebook,
- \$30,000 from check deposits,
- \$19,000 from online bank transfers and
- \$6,300 through the donate section in the BSEF website.

The funds were raised from 18 batches - Cohort A—2, Cohort B— 8 and Cohort C— 8. We

were most successful in raising funds from 300C and 000B batches. BSEF's goal is to have similar success with other batches as well. Corporate matching was a significant element of our fundraising strategy, which raised \$16,518.

We hope to keep going with our fundraising in 2019 and

beyond! With all of your help, we can really make a difference in our ultimate goal of enhancing the educational opportunities of Budhanilkantha students by safeguarding the school's financial future.



SCHOOL LIAISON COMMITTEE REPORT



Our board members Jui Shrestha and Kiran Sitoula have met with the new Principal, Mr. Hom Nath Acharya, in May 2019, to introduce the endowment fund and appraise him of the progress we have made thus far. Mr. Acharya was very positive about the fund and has pledge his support . The next steps in strengthening the relationship with the school include:

Sign a MOU with school by the end of 2019 that includes the following;

- Outline the relationship between BNKS and BSEF by stating the roles and expectation of each party,
- Identify the process by which the projects will be identified to be funded.
- Establish a sustainable and transparent monitoring mechanism that will be audited.

GOVERNANCE COMMITTEE REPORT

The governance committee was active finding replacement for two board members in the last year. The process resulted in successfully recruiting Praveen Chalise and Preeti Adhikary to the BOD. In addition, the committee drafted detailed response to Advanced FAQ questions raised by mem-

bers. The committee will continue to address election, BOD recruitment and organizational improvement initiatives in coming months.



“We are here to ensure that our alma mater remains a Center of Excellence for a long time”

UPCOMING EVENTS

Several board members are planning to organize local events in cities around North America where we have high number of members.

Look out for events in New York, Washington DC, Boston and more !!





Budhanilkantha School Endowment Fund

8 Riverwatch Lane
Indian Head, MD 20640

Email: contact@bnksendowmentfund.org
<https://www.bnksendowmentfund.org/>

The mission of BNKS Endowment Fund is to:

Create a sustainable financing mechanism to support the vision and goals of our high school alma mater, Budhanilkantha School.

Today, the school is under tremendous financial pressure to meet the key commitments it makes to the community; that of helping educate students from all around Nepal, irrespective of their financial status. We believe that now is a pivotal time for our alumni to make meaningful and long-lasting contributions towards the school in a sustainable manner.

