



FOUNDATION SPENDING POLICY

Background:

The TMS Foundation was established in 1993. This policy was established to empower the TMS Foundation Board of Trustees in disbursing the TMS Foundation Fund and in accessing resources to sustain and grow the TMS Foundation. The TMS Foundation is not incorporated as a separate entity, but it effectively operates as one under the 501(c) (3) tax-exempt, non-profit status of TMS. All TMS Foundation activities must be supported by use of the TMS Foundation Fund, which is annually determined as the value of all TMS Foundation restricted and unrestricted assets as totaled at the end of the most-recently completed year.

Restricted Fund Program Management:

Restricted funds shall be managed in accordance with the conditions under which each fund was established within the TMS Foundation and may be changed only if the donor or the donor's legal assignee requests a restatement of the management conditions and the TMS Foundation Board of Trustees approves this restatement.

Unrestricted Fund Program Management:

The annual expense limit for programs funded by the TMS Foundation unrestricted fund shall be 5% of the TMS Foundation Fund.

Non-programmatic Expense Management:

The annual expense limit for all non-programmatic activities of the TMS Foundation (inclusive of direct expenses as well as staff time and overhead) shall be 3% of the TMS Foundation Fund.

Special Growth Initiatives:

The TMS Foundation Board of Trustees may elect to undertake special initiatives intended to grow the size of the TMS Foundation Fund. The annual expense limit for such initiatives is 3% of the TMS Foundation Fund. If such special growth initiatives are performed for more than three consecutive years without offsetting growth in the TMS Foundation Fund, the approval of the TMS Board of Directors will be required before additional special growth initiatives may be expensed against the TMS Foundation Fund.

Revised and Approved by BOD September 25, 2013

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Approved by BOD September 8, 2011

Addition of Electronic Materials Conference Funding Policy approved by Executive Committee August 22, 2011

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