

Tau Beta Pi Appoints Vanguard as Investment Advisor

Knoxville, TN — Tau Beta Pi Association, the Engineering Honor Society, selected Vanguard as the New Investment Manager/ Advisor to work with the Trust Advisory Committee (TAC) in managing and directing the investments of the Tau Beta Pi Trust Fund.

The Association established a Fellowship Fund Trustee in 1930 to oversee its investments in the Fellowship program and its Life Subscription Fund. This was replaced in 1964 by a corporate trustee and a three-member TAC to oversee its investments. Initial investments were in bonds, but were expanded to include mutual funds in 1991. The TAC was increased to five members in 2019.

Prior to the change to Vanguard, PNC Bank served as trustee with investments in Harbor Capital Funds, Dodge & Cox, Dimensional, and PIMCO. The Association had a productive relationship with PNC bank dating back to 1991, but the Executive Council (EC) and the TAC wanted to consider what options were available since TBP has not recently explored the investment advisor area. Based on recommendations from the 2019 Financial Review Committee, the Executive Council directed the Council Finance Committee to prepare a Request for Proposal (RFP) for an Investment Advisor.

The TAC selected 12 companies to consider in the RFP process: Goldman Sachs, Harbor, J.P Morgan, Vanguard, Northern Trust, Russell Investments, UBS, Graystone Consulting, PNC, Stifel, Fidelity, and ACG.

Vanguard was chosen as the Investment Advisor and the transition was completed on July 31, 2021. The trust is now allocated to several Vanguard actively managed mutual funds. The value of the trust was \$41.6 million on July 31, 2021. Members of the Trust Advisory Committee include James W. Johnson Jr., *NCA '77*, Chair; Harry W. Lange, *MI Z '75*; Yung B. Lim, *NJD '87*; David A. Liu, *PAD '93*; and Brent S. Beardsley, *TXD '93*.

2021 TBPI New Investment Advisor

Tau Beta Pi is The Engineering Honor Society, founded at Lehigh University in 1885. With 250 collegiate chapters and 47 active alumni chapters, it has initiated nearly 619,000 members in its 136-year history and is the world's largest engineering society. See <https://www.tbp.org/> or contact Pat McDaniel (pat@tbp.org) for more details.