

ENDOWMENT GUIDELINES



INTRODUCTION

An Endowment is a fund established by a donor (or donors) for a specified purpose. An endowment will have an Endowment Statement that will define this purpose and will be signed and agreed to by both the donor and the Chair of the Foundation's Board of Trustees. These guidelines define the types of endowments available and the related distributions and fees.

TYPES OF ENDOWMENTS

An Endowment may be established as a PERMANENT ENDOWMENT, a QUASI ENDOWMENT, OR A SCHOLARSHIP.

PERMANENT ENDOWMENT funds are designated by the donor for use in perpetuity. The minimum amount required to establish a permanent endowment is \$25,000. These funds are invested in the Foundation's endowment portfolio. The portfolio is structured to generate growth and earnings and is governed by the Investment Policy Statement. Investment returns are credited to the fund net of investment management fees and the Foundation's administrative fee as set by the Board, currently 1.5% per annum. The endowment provides a quarterly distribution for the stated purpose of the fund. The amount of the distribution is determined by the Payout Policy.

QUASI ENDOWMENT funds are designated by the donor to allow for the distribution of the corpus as defined in the endowment statement. The minimum amount required to establish a quasi endowment is \$25,000. These funds are invested in the Foundation's endowment portfolio. The portfolio is structured to generate growth and earnings and is governed by the Investment Policy Statement. Investment returns are credited to the fund net of investment management fees and the Foundation's administrative fee as set by the Board, currently 1.5% per annum. The endowment provides a quarterly distribution for the stated purpose of the fund. The amount of the distribution is determined by the Payout Policy. The Board can elect to have the distribution reinvested in the account should they determine that is the best course of action.

SCHOLARSHIP funds are designated by the donor and may be either permanent or quasi in nature. The minimum amount required to establish a scholarship endowment is \$25,000. These funds are invested in the Foundation's endowment portfolio. The portfolio is structured to generate growth and earnings and is governed by the Investment Policy Statement. Investment returns are credited to the fund net of investment management fees and the Foundation's administrative fee as set by the Board, currently 1.5% per annum. The endowment provides a quarterly distribution for the stated purpose of the fund. The amount of the distribution is determined by the Payout Policy. The Board can elect to have the distribution reinvested in the account should they determine that is the best course of action.