

Community Foundation of Boone County

SPENDING POLICY

ENDOWMENT FUNDS

Up to five percent (5%) of the average asset balance is available for granting beginning in the first quarter of the following year, if the average asset balance exceeds the fund's historic gift value. The average asset balance is determined by a trailing 12 quarters ending September 30. If the average asset balance is below the fund's historic gift value, the fund may distribute up to 2% of the average asset balance; provided that the fund will not go below 80% of its historic gift value or the \$10,000 minimum fund balance.

SCHOLARSHIPS

Up to five percent (5%) of the average asset balance is available for granting beginning in the first quarter of the following year, if the average asset balance exceeds the fund's historic gift value. The average asset balance is determined by a trailing 12 quarters ending September 30. If the average asset balance is below the fund's historic gift value, the fund may distribute up to the same dollar amount of the scholarships available to be granted in the prior year; provided that the fund will not go below 80% of its historic gift value or the \$25,000 minimum fund balance.

2021 SPENDING RATE APPROVED BY THE BOARD: 4%

The spending rate is reviewed by the investment committee each year in the fall and a recommendation is provided to the board and finalized/approved by the Board of Directors in its September or November meeting in an effort to prepare the "spendables" for the following year after the September 30th calculation date.

Adopted by the Board of Directors: 09/17/2020