



POLICIES AND PROCEDURES

CORPORATE POLICY

Subject: Administration of Program, Scholarship and
Endowment Funds

Policy No.: 133
Orig. Date: 10/01/97
Revision:

Last Revision Date: 05/18/17

A. Purpose

B. Policy

A. Purpose

To provide guidance for the administration of Program, Scholarship and Endowment Funds. The recovery of administrative costs represented by this policy include a Foundation “gift of support” equivalent to 25% of the Foundation’s estimated administrative cost for maintaining Foundation program, scholarship, endowment/endowment operating accounts.

B. Policy

The yield, mark-to-market and fees assessed will be determined by the type of funds. It is understood that donated funds may contain terms and conditions that take precedence over this policy.

Foundation Program Funds - represent funds invested by the Foundation per the General Investment Policy # 131 in support of University activities.

Yield will be allocated quarterly on the average daily balance of the respective account.

1. The yield is the weighted average yield (coupon rate of the security plus or minus the amortization or accretion of any premium or discount) of the interest-bearing securities and cash equivalents in the General Investment Portfolio less an annual investment administrative fee of 0.50 basis points to provide support to the general fund of the Foundation.
2. An administrative fee of 2.55% will be assessed on all expenditures processed, including transfer of funds, payroll and accounts payable disbursements to provide support to the general fund of the Foundation. The maximum administrative fee per transaction is \$2,550.



POLICIES AND PROCEDURES

3. All donations will be assessed a fee of 5%.

Scholarships Funds - represent funds invested by the Foundation per the General Investment Policy # 131 that are restricted only for the distribution of scholarships.

1. Yield will be allocated quarterly on the average daily balance of the respective account.
2. The yield is the weighted average yield (coupon rate plus or minus the amortization or accretion of any premium or discount) of the interest-bearing securities and cash equivalents in the General Investment Portfolio less an annual investment administrative fee of 0.50% basis points to provide support to the general fund of the Foundation.
3. An administrative fee of 0.0% will be assessed on all expenditures processed, including transfer of funds, payroll and accounts payable disbursements.
4. All donations will be assessed a fee of 5%.

Endowment Funds - represent funds invested per the Foundation Endowment Investment Policy 130.

1. It is the Foundation's policy to distribute annually an amount equal to 4% of the endowment average value (unless stated otherwise in the endowment terms and conditions). The endowment average value equals the prior 12 quarterly market values. The effective rate of the amount distributed (effective rate equals amount distributed divided by the market value on December 31st) shall be no less than 3% or no greater than 5%. All endowments with earnings are available for distribution and only earnings are allowed to be distributed, no principal or corpus shall be eligible for distribution unless allowed by the terms and conditions of the endowment. Endowment earning distribution will occur in the first quarter of each fiscal year as approved by the Board.
2. The endowment funds will be assessed an annual administrative fee of seventy-five basis points (0.75%). If the annual earnings are less than 0.75%, fees will first be recovered from prior undistributed earnings and if no available prior year earnings, then from corpus. 3. All donations will be assessed a fee of 5%. Endowment Operating Funds - represent funds invested by the Foundation per the General Investment Policy 131. 1. Yield will be paid quarterly on the average daily balance of the respective account. 2. The yield is the weighted average yield (coupon rate of the security plus or minus the amortization or accretion of any premium or discount) of the interest-bearing securities and cash equivalents in the General Investment Portfolio less an annual investment administrative fee of 0.50% basis points to provide support to the general fund of the Foundation.



POLICIES AND PROCEDURES

3. An administrative fee of 2.55% will be assessed on all expenditures processed, including transfer of funds, payroll and accounts payable disbursements to provide support the general fund of the Foundation. The maximum administrative fee per transaction is \$2,550.

4. All donations will be assessed a fee of 5%.