

The Catholic Foundation of Santa Clara County
Policy Statement
Funds Disbursement
Revised March, 2011

Introduction

This Funds Disbursement Policy Statement sets for the principles, objectives and level guidelines for grants from endowed funds.

Endowment Disbursement Policy

- A. **Summary:** The goal of a disbursement policy is to apply a disciplined and reasoned approach to moving money from the Endowment Funds to the beneficiaries, making sure that it is done on a predictable, consistent basis.

The Disbursement amount will be the current payout rate multiplied by the value of the Fund on a specific date as specified by the Board of Directors. A 5% spending cap and a 3% floor will be in place to help moderate spending during particularly volatile periods.

The cap limitation does not apply to endowments less than two years old that may be allocated proportional amounts for the first two years.

- B. **Changes to the Endowment Disbursement Policy:** The Investment Committee may recommend changes to the spending policy, with ultimate approval by the Board of Directors.
- C. **UPMIFA guidelines to Prudent Appropriation for Spending:** The Grant Committee adheres to the following specific UPMIFA guidelines when approving grants:
1. The duration and preservation of the endowment fund,
 2. The purposes of the institution and the endowment fund,
 3. General economic conditions,
 4. The possible effect of inflation or deflation,
 5. The expected total return from income and the appreciation of investments,
 6. Other resources of the institution, and,
 7. The investment policy of the institution.