241-006-A ENDOWMENT SPENDING POLICY

I. Introduction

The spending policy determines how much of the total return (income and appreciation) will be distributed to support programs and how much will be reinvested in the endowment fund. The purpose of the spending policy is to establish spending guidelines that will meet cash flow requirements from the endowment.

II. Policy

The Foundation of the California State University, Monterey Bay (the “Foundation”) has developed an Endowment Spending Policy. The University Corporation at Monterey Bay (the “Corporation”) hereby adopts, in its entirety, the Foundation’s Endowment Spending Policy.

III. Adoption and Review

   A. The Corporation’s Board of Directors has adopted this Endowment Policy, dated May 2014.

   B. This policy shall be evaluated ten years from its adoption date to determine its effectiveness and appropriateness. The policy may be evaluated before that time as necessary to reflect substantial organizational, financial, or physical change(s) at the Corporation or any change required by law or by other governing policy.

Any proposed amendments or variations of this policy would require a majority approval by the Corporation Board of Directors.

IV. Related Documents

   A. California State University Board of Trustees Resolution RFIN 7-78-6
   B. Foundation’s Endowment Investment Policy