

## **ENDOWMENT POLICY**

Donors may establish endowments for scholarships or other purposes that are consistent with the mission of Monroe County Community College. By establishing an endowment, the donor is making a gift that will continue in perpetuity.

The minimum of an endowed fund is \$25,000. This can be given as a single gift or contributed over a multi-year period and may be given by one or more donors.

### **True Endowment**

A True Endowment represents funds given to The Foundation where, by donor restriction, the principal of the funds cannot be invaded, and only income may be used for the designated purpose defined by the donor or The Foundation Board of Directors. The fund can be commingled with other endowment funds for investment purposes, with the appropriate pro rata share of earnings going to funds as specified.

### **Quasi Endowment**

A Quasi Endowment represents funds set aside by The Foundation to function as an endowment, the principal may be invaded, and income may be used for the designated purpose defined by the donor or The Foundation Board of Directors. The fund can be commingled with other endowment funds for investment purposes, with the appropriate pro rata share of earnings going to funds as specified.

### **Working Toward Endowment Abandonment**

Under this policy, donors may establish an endowment over a multi-year period. In the event a donor or donors cease to make progress toward endowment status, The Foundation may spend down the funds in a manner consistent with the original intent of the planned endowment after 5 years of inactivity, providing that all the following conditions are met:

- a.) Foundation staff have made every reasonable effort to consult with the donor or donor representatives to affirm their interest in continuing to establish the endowment.
- b.) Foundation staff work directly with donors who express they no longer wish to reach endowment status to determine the best means to spend down the fund according to the donor's direction.
- c.) The working toward endowment is not part of a blended gift that includes an anticipated legacy gift.