



Odessa College Foundation

Endowed Funds Spending Policy

The Odessa College Foundation applies a spending policy to endowed funds which defines the amount of money that can be disbursed from the fund each year. The goal of the spending policy is to position funds to maintain a balance between long-term investment growth and annual scholarship or other distributions.

The spending policy defines the amount of scholarship funds available for distribution during the next academic year starting with the fall term of the current year and ending with the summer term of the following academic year.

The spending policy for endowed funds is the lesser of (a) the unrestricted investment earnings of each endowment during the previous fiscal year or (b) 5% of the fund's average market value over the last 4 quarters immediately preceding the setting of the annual scholarship budget.

The investment/audit committee or the scholarship committee shall review the spending policy annually. Any resulting proposal for revision requires approval by the Board of Directors prior to May 31st each year.