

TITLE: University Endowment Earnings Spending Policy

AUTHOR: Chief Financial Officer

APPROVAL DATE: November 21, 2014

EFFECTIVE DATE: November 21, 2014

PURPOSE: To provide guidelines for the allocation, in a reasonable and balanced way, of total earnings from University endowments between current spending and reinvestment for future earnings

REVIEWER: Chief Financial Officer

REVIEW DATE: Fall 2024 and every 5 years thereafter

OPERATING DETAILS:

Mississippi University for Women serves as trustee and beneficiary of numerous endowment trusts. While the original principal of these funds cannot be spent, earnings are eligible for use as designated in the trust establishing documentation.

POLICY/PROCEDURE:

Endowment earnings available for spending within a fiscal year will be determined as follows:

1. 4.25% of the three (3) year moving average of fiscal year end endowment fund market values using the most previous fiscal years, plus
2. Any funds available but not spent in previous fiscal years.

Spending will come from earnings only with no deterioration of initial corpus allowed unless specifically stated in the original endowment documents.