

EducationMatters
GOVERNANCE DOCUMENTS

SECTION: III. POLICIES OF THE BOARD		POLICY: 5.04 GRANT DISTRIBUTION POLICY/ PRESERVATION OF CAPITAL
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- a) It is the policy of EducationMatters to grant each year 4.5% of the market value of the endowment funds in each Fund, in order, over the long term, to both maximize our support for enhancements to public education and protect the value of the endowment Funds.
- b) For each Fund which is in existence at the beginning of the fiscal year, an amount equal to 4.5% of the market value of the endowment funds held each Fund on the last day of the previous fiscal year is to be available for grants in the year. Endowment contributions to an existing Fund during the fiscal year shall not result in an increase in the amount available for grants in the fiscal year when the contributions are received, unless otherwise approved as an exception by the Executive Director.
- c) For each new Fund which is newly established during a fiscal year, an amount equal to a prorated portion of 4.5% of the market value of the opening endowment contribution shall be available for grants at the end of the same fiscal year. The prorated portion shall be calculated as: (number of days remaining in the fiscal year at the date of the opening contribution/365 days) x the 4.5% amount. Subsequent endowment contributions to an existing Fund during the same fiscal year shall not result in an increase in the amount available for grants in the fiscal year, unless otherwise approved as an exception by the Executive Director.
- d) At the end of each fiscal year, any amount available for grants but not expended from a Fund shall be added to the endowment capital of the Fund and shall not be available for granting in the subsequent year, unless otherwise approved as an exception by the Executive Director.
- e) The exceptions referred to under clauses (b), (c) and (d) shall be reported to the Board by the Executive Director at the next regular meeting of the Board.