



The below represents a sample Endowment Policy for a permanent endowment fund that meets the requirements of HGF's **Endowment Accelerator Matching Grant**. This is a sample only, and there are many variations on these policies that will meet the grant criteria. This is a basic policy, which a camp may choose to expand upon with additional components, such as the establishment of an Endowment Committee with oversight of the fund and/or policies surrounding the creation of restricted/named funds. This Endowment Policy must be accompanied by an Investment Policy Statement and Gift Acceptance Policies to meet the requirements of HGF's **Endowment Accelerator Matching Grant**.

Please note that The Harold Grinspoon Foundation are not financial advisors. We are offering sample policy language and guidance about where you can seek financial advice but cannot provide that advice ourselves. We recommend you review your proposed policy with a financial advisor who has experience with endowments.

**Camp ABC Endowment Fund
Endowment Policy
Date
(Revision Dates)**

Authority: The Board of Directors hereby adopts the following (Endowment Policy and Guidelines). These guidelines relate to gifts, donations, and other resources placed in the permanent endowment fund.

Purpose: The purpose of the Camp ABC Endowment is to support the camp's objectives over the long term. Accordingly, the purpose of this statement is to establish a written procedure for the management of the camp's funds and to ensure that the future growth of the endowment is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the endowment for future generations.

The camp endowment will be managed in accordance with the prudent person rule, which requires that investments be made with the care, skill, and diligence that a prudent person, knowledgeable in such matters and in the objectives of the fund, would employ.

Responsibility: The ultimate responsibility for the management of the camp's endowment rests with the Board of Directors, guided by the investment policies and objectives established by the Board as a whole. The Board will have the authority to initiate and implement these policies. This authority should include the power to retain and terminate investment managers, increase or decrease existing



investments and effect other changes as necessary to meet the overall goals of the camp.

Spending Policy: It is the camp’s policy to allow the distribution of a percentage of the endowment account’s market value on an annual basis for the purpose of supporting the camp’s operating and/or capital budgets, or for other priority needs as approved by a majority vote of Board members present provided a quorum has been met. The annual distribution shall not exceed 4% of the average market value of the endowment as of the last day of the preceding 12 calendar quarters (March 31, June 30, September 30, December 31).

The Board of Directors shall approve a percentage distribution at each January board meeting. The percentage shall be determined with consideration for general economic and market conditions, prior year’s spending levels, the total return of the endowment over the prior 3-year period, and the expected total return of the portfolio given current and foreseeable conditions.

To accommodate critical, unforeseen, or emergency needs, an annual distribution in excess of 4% and up to a maximum of 25% of the fund’s value may be considered by the Board, and following due diligence, approved by a two-thirds vote of elected board members provided.

Successor Policy: Should Camp ABC lose its tax-exempt status as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (hereinafter the “Code”), or otherwise cease to exist, the Board of Directors of ABC Charity shall distribute all assets remaining in the Endowment to its 501(c)(3) tax-exempt successor in interest so long as that successor is not a private foundation within the meaning of Section 509(a) of the Code. Should the successor in interest lose its tax-exempt status described in Section 501(c)(3) of the Code and as an organization that is not a private foundation within the meaning of Section 509(a) of the Code or otherwise cease to exist, then all assets remaining in this fund shall be distributed outright to charitable organizations qualified as 501(c)(3) organizations under the Internal Revenue Code that have purposes as similar as possible to those purposes listed in paragraph 4.

Date approved by Board of Directors: _____

Signature of Board Secretary: _____

Signature of Board Treasurer: _____