



Endowment Policy

Menaul School seeks and values private philanthropy as a means of sustaining the School and provide a solid financial base. The School's Board of Trustees has named endowment growth as a priority. The following policies guide to solicitation, acceptance and management of endowment gifts:

- I. All Endowment Gifts are subject to the General Gift Acceptance Policy.
- II. Named endowment funds may be established with a minimum gift of \$25,000.00.
- III. True Endowments: A true endowment occurs when a donor stipulates that the principal or corpus of a gift should be invested to generate income, and the corpus is intended to be held in perpetuity. Principal of true endowment gifts will be maintained in perpetuity. On an annual basis, the total return of the endowment investment will be computed. An amount equal to fifty percent of the total annual return of the endowment fund will be distributed, the remainder being reinvested with the endowment principal. Any income not spent in a given year can be reinvested in the principal of the individual fund. Income will not become available for expenditure until the beginning of the fiscal year following the year in which the endowment was established.
- IV. Quasi-Endowments: Quasi-Endowments differ from true endowments in that they either (a) are established for a fixed term, and not left intact in perpetuity, or (b) are established to permit some limited portion of the principal or corpus to be expended. In no circumstance will a quasi-endowment provide for expenditures of principal that exceed 10% per year.
- V. For the purpose of investment, endowment funds may, under the direction of the Finance Committee of the Board of Trustees, be included in the consolidated investment portfolio of Menaul School to maximize long-term growth and earnings.
- VI. All endowment funds will be permanently listed in the School's annual report once they are fully funded.
- VII. A gift of any size may be added to an existing endowment if so designated by the donor at the time of the gift.