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WESTERN KENTUCKY UNIVERSITY FOUNDATION

POLICY AND PROCEDURES MANUAL

- SECTION:** Treasury
- SUBJECT:** Spending Policy – Endowment Fund
- PURPOSE:** To state the distribution policy from the Foundation Investment Fund
- PROCEDURE:** The annual distribution goal shall be 4 ½% of the endowment fund's trailing 12-calendar quarter moving market value average. In its initial year, the annual distribution goal shall be 4 ½% of the beginning market value of the endowment. In the second and third years the annual distribution goal shall be based on the average market value of the endowment for the preceding four calendar quarters and eight calendar quarters, respectively.

The annual distribution may be made anytime during the fiscal year, at the account administrator's request. Unless there is a prior approval, annual distributions shall not be carried over between fiscal years.

The Board of Trustees will periodically review and revise the spending policy as appropriate.