SUBJECT: Endowed Funds

DATE October 2, 1998

POLICY

The Murray State University Foundation, Inc. (Foundation) Board of Trustees established the following procedures for a named, endowed fund:

PROCEDURES

- Minimum endowment level: $25,000
- Initial investment required to establish the account: $5,000
- The Foundation will include the fund in the investment pool when the $25,000 endowment level is reached.
- The fund has 5 years to reach the minimum $25,000 level for endowment.
- One year after the minimum endowment level of $25,000 is reached, the first award can be made from the earnings.
- Should the endowment level not be reached by that time, the donor will have the choice to either “roll-over” the funds into the general foundation fund, or distribute the principal of the fund for University purposes.
- Awards will not exceed the spending cap as established by the Foundation Board of Trustees in Section I.04 "Endowment Income Spending" of the Foundation Policies and Procedures manual.