
Spending Policy

*Hillsdale County Community Foundation
(Revised February 2, 2010)*

The purpose of this Spending Policy is to clarify the spending guidelines of the Hillsdale County Community Foundation. The primary objective of the spending policy is to allow funding flexibility from the endowment while complying with the UPMIFA laws and regulations.

- The amount available for spending is based on a percentage of the total fund balance and any unspent income available from the previous three years.
- Total available for spending in each fund for any given year will be determined as of September 30th of the previous year.
- Calculation of available funding dollars will follow the formula described below:
 - The spending rate will be 4% of the total fund balance, calculated on the average of the previous 12 quarters ending September 30.
- Donors will be given the opportunity to make additional ‘pass-through’ gifts at any time in order to allow additional disbursements above and beyond what the spending policy allows.
- Donors that create a Designated Endowed Fund may opt to allow a maximum 6% spending distribution.