

SOUTHERN ILLINOIS UNIVERSITY
EDWARDSVILLE FOUNDATION

INVESTMENT POLICY

Memorandum of Fees and Interest Allocation Policies

Updated 7/1/06

- I. Acceptance Fees - shall be assessed on all gifts with the following exceptions: Unrestricted gifts, Charitable Gift Annuity transfers, Donor Advised Fund gifts (assessed when transferred to an SIUE program), and Benefit Fund gifts (assessed when net proceeds are transferred to the beneficiary account).

Rates:

- 5% effective 1990.
- 0% effective 7/1/06. (SIUEF Board 6/29/06)

- II. Investment Management and Administration Fees - shall be assessed on all Endowment and Non-Endowment balances based on the average ending monthly balances for all months of the fiscal year for each SIUEF fund. The total fee percentage shall include the fees paid to the SIUEF investment managers for their services.

Rates:

- 1% effective 1990.
- Effective 7/1/06:
 - Endowment accounts – 1.25%
 - Non-Endowment accounts – 2%

- III. Non-Endowment Interest on Accounts less than a specified level – shall be retained by the SIUE Foundation. The balance shall be calculated based on the average ending monthly balances for all months of the fiscal year for each Non-Endowment fund after management fees. Interest on the average balance in excess of the \$5000 minimum will be paid out annually to the funds.

Level:

- \$5000 effective 1990

- IV. Endowment Distribution Rate (Spending Rate, Target Yield) – shall be reviewed annually and distributed (contingent on available earnings) to the SIUEF Endowment accounts based on the average ending monthly balances for all months of the fiscal year for each Non-Endowment fund, after management fees, and in accordance with the Earnings Distribution Policy.

Rate:

- 6% effective 1990
- 4.5% effective 7/1/05