

Mayland Community College Foundation

FINANCIAL MANAGEMENT POLICY

July 13, 2010
December 9, 2014
September 10, 2019

Except as provided by agreement with Mayland Community College, all necessary operating expenses for the Mayland Community College Foundation (the Foundation) shall be paid out of income from assets donated to and held by it. See Memorandum of Agreement. At the recommendation of its Governance Committee, the Foundation Board shall vote by majority to determine at which banking institutions funds shall be held. The Foundation's fiscal year shall be the same as that of Mayland Community College.

Disbursements:

1. All disbursements from all Foundation funds shall require appropriate documentation, including a requisition signed by the Foundation's Executive Director and appropriate college personnel, including the Vice President of Administrative Services and the department requesting funds. The college President's signature shall be required on any requisition in excess of \$1,000. Foundation checks must be signed by two of the following: the Executive Director of the Foundation, the College President, or the College Vice President for Administrative Services.
2. The Executive Director of the Foundation shall administer and direct disbursements of funds for the purpose of defraying the Foundation's day to day operating expenses.
3. A majority vote of Foundation Board of Directors shall be required to authorize expenditures from the Mayland Community College Foundation Endowment.
4. No loan of any funds of the corporation for the purpose of investment shall ever be made to any Foundation Director, or to any immediate family member of any Director, or to any business or corporation owned or controlled by the Foundation Directors or members of their immediate families, or to any business or corporation in which a Director or member of his or her immediate family is substantially interested financially. No distribution of corporate funds, whether in the form of gifts, loans, or donations, shall be made to any regular director of the Foundation. Student directors are exempt from this rule to the extent that it applies to potential scholarship awards for which they may choose to apply and are selected through the Mayland Community College Scholarship Committee's application and selection process.
5. The Foundation office, by and through the Executive Director and staff, shall ensure appropriate segregation of duties in the handling of funds.

Endowment Spending Policy

1. The Foundation Governance Committee shall consider the Foundation's goals, duration and preservation of the endowment fund, general economic conditions and UPMIFA regulations as adopted by the State of North Carolina in determining its annual spending rate. The Governance Committee shall strive to protect long-term growth of the endowment while maximizing disbursements to address the college's needs and donors' expectations.
2. The Foundation's spending rate for the endowment shall be voted on annually by the Board of Directors and is subject to annual review of the endowment's performance during the preceding fiscal year. The spending rate shall not exceed 5% of the endowment.
3. Each fund in the endowment must have a full year of earnings before disbursements can be made.
4. As of January, 2009, the minimum gift for each fund in the endowment shall be not less than \$10,000. Donors shall be permitted to structure gifts to reach the minimum requirement within 3 (three) years of the initial gift. In the event the minimum endowment gift amount has not been reached within a three-year period, donors shall be advised that their funds will become expendable in accordance with their wishes for making the gift initially.