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**3.C-2000 Grant Spending Policy/Preservation of Capital Policy**

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**1. Policy**

- 1.1 It is the policy of St. Mary's University (University) to grant each year 5% of the market value of each Fund, in order, over the long term, to maximize both our support for charitable activity at the University.
  
- 1.2 For each Fund which is in existence at the beginning of the fiscal year, an amount equal to 5% of the market value of each Fund on the last day of the previous fiscal year is to be available for grants in the year. Capital contributions to an existing Fund during the fiscal year shall not result in an increase in the amount available for grants in the fiscal year when the contributions are received, unless otherwise approved as an exception by the Board of Governors of the University.
  
- 1.3 For each new Fund which is newly established during a fiscal year, an amount equal to a pro-rated portion of 5% of the market value of the opening contribution shall be available for grants in the year. The pro-rated portion shall be calculated as: (Number of days remaining in the fiscal year at the date of the opening contributions/365 days) x 5% amount. Subsequent capital contributions to an existing Fund during the same fiscal year shall not result in an increase in the amount available for grants in the fiscal year, unless otherwise approved as an exception by the Board of Governors of the University.
  
- 1.4 At the end of each fiscal year, any amount available for grants, but not expended from a Fund, shall be added to the capital of the Fund and shall not be available for granting in the subsequent year, unless otherwise approved as an exception by the Board of Governors of the University.

Approval Authority	Responsible Office	Effective Date	Date Last Revisited	Review Frequency
Board of Governors	Finance	October 3, 2000		Every 5 years