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ENDOWMENT POLICY

I. Purpose and Scope

The Roseman University Endowment Policy establishes a framework for the effective management and stewardship of endowed funds to ensure long-term sustainability and alignment with the University's mission. This policy focuses on the principles governing the investment, use, and oversight of endowment funds.

This policy applies to all endowed funds established at Roseman University and ensures their management adheres to the guidelines set forth in the *Investment Policy Statement (IPS)*. Endowments are critical to supporting scholarships, faculty development, research, and other University priorities.

This policy does not address gift acceptance or reporting, which are governed by the *Gift Acceptance & Valuation Policy* and *Gift Reporting Policy*.

II. Oversight

- a. **Office of Philanthropy & Alumni Relations (PAR):** Responsible for donor stewardship, including communication about fund performance and the impact of endowed gifts.
- b. **Investment Committee:** A subcommittee of the Board of Trustees responsible for overseeing endowment management, monitoring investment performance, and ensuring compliance with fiduciary duties.
- c. **Annual Reporting:** Donors will receive an annual report summarizing investment performance, spending allocations, and the impact of their gifts.

III. Definitions

- a. **Restricted Endowments:** Funds designated for specific purposes must be used in accordance with the donor's intent.

- b. **Unrestricted Endowments:** These provide the University with flexibility to address evolving needs and opportunities.

IV. Endowment Guidelines

a. Minimum Gift Requirements:

1. **General Endowed Funds:** A minimum initial gift of \$25,000 is required to establish an endowed fund. Contribution levels will be determined by the University and communicated to donors during solicitation. Endowed funds must reach a **minimum corpus of \$1,000,000** before distributions can begin. Until that threshold is met, earnings will be reinvested to grow the fund.
2. **Alumni, Faculty & Staff Endowed Scholarships:** Recognizing the generosity of alumni, faculty, and staff in supporting student scholarships, a separate tier of endowed scholarships will be available at a **lower minimum corpus of \$25,000** to begin distributions. These funds will follow the same reinvestment guidelines until the minimum corpus is reached.
3. All existing endowment funds will be honored with the original gift agreement.
4. Any future endowments will be subject to this policy.

- b. **Naming Rights:** Endowed funds may be named in honor of individuals, families, or organizations, subject to University approval and compliance with the *Donor Recognition and Naming Rights Policy*.

- c. **Purpose Statements:** Each endowed fund will have a formal agreement detailing the donor's intent, purpose, and use of the fund. Unrestricted endowments are encouraged to provide flexibility for evolving institutional needs.

1. **Amendments to Purpose:** If the original purpose of an endowment becomes impractical or obsolete, the University will make every effort to consult with the donor or their representative. If consultation is not possible, amendments will align with the donor's original intent as closely as possible while addressing current priorities.

- d. **Administrative Fee:** An administrative fee, not to exceed 5% of moving 3-year average of endowment earnings will be allocated to cover costs associated with investment management, compliance, stewardship, and financial reporting. Donors will be informed of the administrative fee during the solicitation and acknowledgment process.

V. Investment Management

The University's endowment investments are governed by the *Investment Policy Statement (IPS)*, which outlines the management of assets to meet long-term objectives. Key elements include:

a. Investment Objectives:

1. Preserve capital and achieve real growth after inflation and expenses.
2. Meet or exceed a target return comprising the spending rate, administrative costs, and inflation.

b. Asset Allocation:

1. Endowment funds will be invested in a diversified portfolio comprising:
 - a. Domestic Equity: 40-50%
 - b. International Equity: 10-15%
 - c. Fixed Income: 30-40%
 - d. Alternatives and Real Assets: 0-10%

c. Spending Policy:

1. Up to 4% of a three-year moving average of the endowment's market value may be distributed annually. Undistributed funds may be carried forward for future use, after minimum corpus has been reached.

d. Rebalancing:

1. The Investment Committee will periodically rebalance the portfolio to maintain compliance with target allocations.

e. Performance Monitoring:

1. Investment performance will be reviewed quarterly against established benchmarks, including the S&P 500, MSCI ACWI, and Bloomberg Aggregate Bond Index.

VI. Compliance and Enforcement

- a. **Mandatory Adherence:** All University personnel must comply with this policy. Violations may result in disciplinary actions.
- b. **Dispute Resolution:** Disputes or violations will be investigated by the Office of Philanthropy & Alumni Relations, with resolution determined by university leadership, including Human Resources and employee's supervisor.

VII. Review and Revision

This policy will be reviewed regularly, but no longer than every three years, by the Office of Philanthropy & Alumni Relations to ensure its continued effectiveness and relevance. Amendments may be made as necessary to reflect updates in university strategies, legal requirements, or industry best practices.

All Revision Dates

10/2025

Approval Signatures

Step Description

Approver

Date

Administrative Council	Renee Coffman: President	10/2025
Unit Head Approval	Geena Mattox: Vice President of Philanthropy and Alumni Relation	10/2025
Initial Review	Geena Mattox: Vice President of Philanthropy and Alumni Relation	10/2025

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