

Spending Policy Committee Charter

Mission Statement

The Spending Policy Committee will develop an endowment spending policy that meets the needs of multiple constituencies, the Board of Directors, the institutions, the donors and the program recipients.

Organization

The Committee shall consist of no fewer than 7 (seven) members and shall meet at least twice a year. New members shall receive a copy of this charter upon appointment.

The Chairperson and other members of the Committee shall be appointed by the Executive Committee of the Board and shall be appointed to serve on the Committee for the same term of membership as Board membership. However, the Executive Committee shall have the right to ask a member to resign from the Committee.

Roles and Responsibilities

The Committee shall review the current spending policy in order to determine if it is appropriate in light of the current economic environment and the needs of the multiple constituencies as well as the Uniform Institutional Funds Management Act, as enacted in the State of Maryland, which permits decision makers to consider the expected return (i.e. capital appreciation as well as income) but does not specify a payout percentage.

The Committee shall take into account the following when reviewing and determining the policy, but shall determine the appropriate weight of each factor.

- Maintain Endowments' Purchasing Power
- Fair Distribution of Intergenerational Equity
- Smooth Spending Distribution
- Predictability of Spending Distribution
- Donor Sensitivity
- Spending Stability Account

The Committee shall recommend to the Executive Committee any changes to the spending policy it deems appropriate.

The Committee may, at its discretion, use the services of any outside counsel as the Committee determines is necessary or appropriate to enable the Committee to fulfill its responsibilities.