



Manual Of Policies And Procedures

Title ENDOWMENT INVESTMENT AND SPENDING POLICY	Number 430	Page 1
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PURPOSE

The VSC Endowment Investment and Spending Policy is designed to establish the parameters within which the VSC endowed funds are managed, invested and distributed.

STATEMENT OF POLICY

The overall financial objective of the VSC endowment is to provide funding for scholarships or other purposes in accordance with donor wishes. The endowments will be managed on a 10 year horizon, will have moderate risk, and will be maintained and managed for perpetuity. The value of the VSC portfolio will have a target allocation of 60% equity securities, 32% fixed income securities and 8% alternative investments (real estate, commodities); however, the equity securities will not exceed 75% in value, the fixed income securities will not exceed 55% in value, and the alternative investments will not exceed 12% in value. The annual withdrawal and spending shall be the lesser of 5% of the current market value or 5% of the average market value over the last three years, provided there are earnings to support such withdrawals.

The Chancellor shall, after review and approval from the Board of Trustees, adopt written investment guidelines relating to this policy. The Chancellor will review these guidelines with the Finance and Facilities Committee on an annual basis or in the interim whenever substantial changes to the guidelines are proposed.

Signed by: Timothy J. Donovan Chancellor
