



POLICY: Distributions & Administrative Fees		NUMBER: 3.02	PAGE: Page 1 of 2
CATEGORY: Finance			
APPROVED: December 12, 2011	REVISED/REAFFIRMED: December 11, 2017	SUBJECT TO REVIEW: October 2018	

PREAMBLE:

The Foundation’s Spending Policy determines the amount of the annual distributions from the permanent endowment funds. The distributions are for charitable grants and an administrative recovery charge. The Foundation aims to collect a 1% Administrative Recovery Charge on each fund, however, one of the main objectives of the Foundation is to avoid drawing on Capital Funds when applying an Administrative Recovery Charge. Therefore the Foundation has adopted a Spending Policy to charge 0.5% admin fee quarterly, with the remaining 0.5% collected annually, provided that this additional amount does not encroach on Capital Funds.

The policy is designed to allow a predictable outflow of funds for grants while protecting original principal.

PRACTICE:

1. It is the standard policy of the Winkler Community Foundation Inc. to apply an Administrative Recovery Charge. This recovery charge will be calculated and collected quarterly at the following rates:
 - a.) A minimum Administrative Recovery Charge of 0.5% per annum minimum;
 - b.) An additional Administrative Recovery Charge of 0.5% per annum, provided this Charge does not cause the Foundation to draw on Capital Funds.
2. The minimum administrative recovery charge will be collected and recorded quarterly by the Winkler Community Foundation.
3. Provided that it will not cause a draw on Capital Funds, an addition 0.5% administrative recovery charge may be collected on funds annually.
4. Any excess Administrative Recovery Charges collected by the Foundation that are not used for administrative expenses shall be distributed back into the Foundations General Endowment Fund.
5. The minimum annual amount to be distributed to registered charities shall be the disbursement quota specified by Canada Revenue Agency.



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6. The maximum annual amount to be distributed to registered charities shall be the previous year's investment earnings less the administrative recovery charge collected by the Winkler Community Foundation.
7. The Youth in Philanthropy fund shall not be subject to the administrative recovery charge and shall set its own spending policy.
8. The investment earnings remaining after the distribution to registered charities and application of the administrative recovery charge will be added to individual fund balances each year.
9. Extraordinary expenses: Funds may be charged for any extraordinary direct expenses incurred on behalf of a specific commission for the sale of contributed stock or sale of property. Additional fees may be assessed for extraordinary services such as special grant processing and other non-standard services