Endowment Governance & Resilience Plan

One-Page Summary · Inflation-Indexed · Built for Perpetuity

NON SIBI SED OMNIBUS

$3.5M	$500K	175	2033
LEGACY CORPUS Permanent Endowment	**COMMUNITY CORPUS** Quasi-Endowment	**STUDENTS SUPPORTED** At Full Funding	**POLICY ACTIVATION** At the Latest

PERPETUITY ENGINE · PERMANENT ENDOWMENT

Legacy Corpus

$3.5M principal · 70% VOO / 30% SNSXX · annual rebalancing. Long-term growth engine funding scholarships in perpetuity; grows with the donor base.

RAINY DAY FUND · QUASI-ENDOWMENT

Community Corpus

100% SNSXX, liquidity first. Resilience **buffer** that keeps scholarships flowing during market stress. Floor: ~$420K real (3 years of reduced payouts).

HOW THE GUARDRAILS WORK

01 Trigger

Equity market falls -20% in one calendar year, or -15% or worse in two consecutive years.

02 Automatic Response

Total support cut 20% · Legacy draw cut 30% · Community Corpus covers the gap (max two consecutive years).

03 Recovery

Full inflation-adjusted payouts resume. Strong years (returns >8%) rebuild the Community Corpus to its floor.

SPENDING POLICY

$1,000 per student annually, inflation-adjusted every 3 years (CPI-U or equivalent) — $175,000 / 175 students at full funding.

Normal years: funded entirely from the Legacy Corpus.

Spending rate: the ~5% real draw sits at the higher end of endowment norms; guardrails, the **buffer,** and periodic stress testing are the mechanisms intended to sustain it — adjusted if evidence shows risk.

DISCIPLINE & REPLENISHMENT

Draws limited to reduced obligations; capped at two consecutive years unless extended by Board resolution.

Replenishment: when returns exceed 8% net of withdrawals, 0.5–1% annually rebuilds the **buffer** to its ~$420K floor; strong-year excess is swept in.

Projections are estimates under stated assumptions, not guarantees — reviewed with the Financial Advisor and reported to the Board.

GOVERNANCE & OVERSIGHT

Investment Committee

Oversees allocations, withdrawal discipline, and **buffer** health; runs annual reviews and stress testing; recommends to the Board.

Board of Trustees

Holds fiduciary responsibility and UPMIFA compliance across both fund types; approves recommendations; amendments require majority Board approval.

IMPLEMENTATION PATH

NOW

Prudent stewardship

Conservative management while the corpus builds toward targets.

BY JAN 2033

Policies activate

Full funding (Legacy $3.5M + Community $500K) or Jan 1, 2033 — whichever comes first.

AFTER

Full enforcement

Guardrails, replenishment, and annual transparency reporting to donors and the Board.