

**SUMNER COMMUNITY FOUNDATION
Spending Policy Statement**

- 1: As a "Public Charity" the Foundation is NOT subject to any minimum annual withdrawals. If the Foundation is ever deemed a "Private Operating Foundation" a minimum spending number will be applied over the long-term.
- 2: In an effort to establish consistent cash flows in support of funded grant proposals and operating expenses, the Foundation has established the following budget/spending policy:
- A. The new spending policy will go into effect in January of the year following when the portfolios 6 month average balance exceed \$2 M (less funds awarded but still in a Foundation's account)
 - B. (5%) of the previous year's assets, less funds encumbered but remain in a Foundation's account, can be utilized in creating the following year's budget.
 - C. The Foundation Budget will be, as long as SES makes an annual contribution (5% of total assets, less encumbered funds, plus 20% of the annual SES contribution).

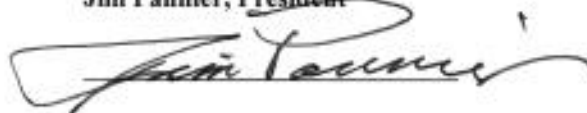
For Example:

\$2,145,000	Foundation assets
-	\$45,000(Less encumbered funds)
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\$2,100,000	(Available assets for budget development)
X	.05(5% of available assets)
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\$105,000		(Subtotal)
+	\$40,000(20% of \$200,000 SES contribution for 20??)
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\$145,000		TOTAL Budget

- D. Only if the \$2 M threshold is breached (six month average below \$2 M), would grant funding return to just 20% of the annual contribution from SES. This policy would remain in effect until the Foundation's six month average total portfolio balance regained the defined \$2 M status.
- E. Rather than selling securities to complete the funding for the Foundation's budget, a portion of that year's SES contribution can be used.

Ratified Feb. 23rd, 2022

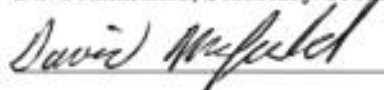
Jim Pannier, President



Steven Becker, Vice President



Dave Mansfield, Secretary/Treasurer



Brett, Walsh, Member



Mark Zimmer, Board Member

