**Overview**

Accumulated assets have been invested to ensure the long-term stability of the West Shore Foundation. When these assets have grown to a sufficient level, a portion may be spent to increase the Foundation’s support of the West Shore School District.

This policy provides guidance for determining the amount of money that can be withdrawn from investment accounts and used in a fiscal year to enhance the Foundation’s mission without impairing its long-term financial health.

**Guidelines and Procedures**

During annual budget preparations, the Treasurer will present a recommendation to the board for investment spending that will be budgeted as revenue for the coming year.

A three-year rolling average will be calculated by determining the portfolio value on December 31st of the previous three years and taking the average. The Finance Committee will recommend the percentage of the three-year average to be included in the budget, typically 4%. The full board will approve the withdrawal.

Example:

Portfolio market values:

12/31/22 $985,000

12/31/23 $1,075,000

12/31/24 $1,010,000

The average market value for these three years is $1,023,333.

The Foundation would therefore budget to spend 4% of $1,023,333 or $40,933 as part of its operating

budget for the 7/1/25 – 6/30/26 fiscal year.

The Treasurer, in consultation with the Finance Committee, will monitor investment income and will make recommendations to the board to alter or suspend this practice, if warranted.