

**Policy Type: Finance Policy**

**Policy Title: Spending Policy**

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The Foundation sets its annual spending policy for permanent funds by applying a percentage, determined annually by the Board of Directors based on the recommendation of the Audit and Finance Committee, to a fund's average net balance. Average net balance is based on a rolling 16 quarter market value as determined by the Audit and Finance Committee. In determining the applicable percentage, the Audit and Finance Committee considers the Foundation's history, spending policies in place at other community foundations, and the foundation's responsibility to preserve the purchasing power of its permanent funds over time.