

INDIAN HILLS COMMUNITY COLLEGE FOUNDATION, INC.

Spending Policy

The Indian Hills Community College Foundation, Inc., hereafter referred to as the Foundation has established this Spending Policy to identify the procedures and guidelines applicable to the annual and overall spending of the Foundation's funds, which includes two separate funds—Rosenman and Scholarship. The Foundation's goal is to provide scholarship funds for current and future students.

The objectives of this Spending Policy are:

- Preserve the purchasing power of the Foundation's funds
- Provide predictable and steady support for the various scholarships
- Abide by the Foundation's Investment Policy and donor agreements

Unrestricted and Restricted Funds

All contributions to the Foundation are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received (i.e., annual designated scholarships) are classified as unrestricted contributions.

Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Permanently restricted funds are endowments in which the goal is to preserve the principal in perpetuity.

All gifts that are given with restriction by the donor must be spent in accordance with those restrictions. Minimum restriction criteria have been established by the Foundation.

Distribution

The funds available for the Rosenman awards and for the Scholarship awards will each be calculated annually in an amount equal to the "distribution amount." This amount is defined as a spending rate of four percent (4%) multiplied against the five-year rolling average market value of each fund as of the end of the calendar year.

Changes to Spending Policy

The Foundation's Executive Committee with the approval of the Board of Directors may amend this policy as deemed necessary.

Approved by the Indian Hills Executive Committee this 13th day of April 2015