



AUTHORITY: Finance Committee

RATIFIED BY: SUS Board of Directors

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RELATED DOCUMENTS           - Investment Policy  
  - Surplus Policy

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### Purpose

The purpose of this policy is to outline the requirements of the Endowment Fund, including deposits, withdrawals, and use of interest.

## **1.0 Fund Overview**

1.1 The Society shall maintain a long term investment fund in the name of “UFV SUS Endowment Fund”.

1.2 The Endowment Fund is a long term investment fund designed to grow over time, providing a permanent source of revenue and increased financial security for the Society.

1.2.1 The principle amount of the Endowment Fund, which includes the initial investment and all subsequent deposits into the Endowment Fund, cannot be withdrawn except in accordance with section 3.1.

1.2.2 There is no limit on the amount of the money that can be invested in the Endowment Fund.

1.3 The Endowment Fund may be used in the negotiation of debt financing for the Society.

## **2.0 Use of Interest**

2.1 A portion of the interest earned each year, not less than the inflation rate as published by Statistics Canada, must be immediately reinvested into the Endowment Fund, and is considered an increase in the principle amount.

2.2 Any interest in excess of that used to comply with section 2.1 can be applied toward

2.2.1 Emergency Student Grants, Student Scholarships, or other initiatives that directly benefit students through a need or merit based program; and

## **3.0 Withdrawals**

3.1 Money cannot be withdrawn from the Endowment Fund, except to:



Student Union Society  
**ENDOWMENT FUND POLICY**

3.1.1 Help fund major capital expenditures, such as renovations to the Student Union Building; and

3.1.2 Prevent the Society from being jeopardized.

3.2 Withdrawals from the Endowment Fund require a two-thirds majority special resolution at a general meeting.

3.2.1 The motion must include a specific budget that accounts for the use of the proposed withdrawal, which may only include expenditures within the limitations of section 3.1.

3.2.2 Withdrawals must be in accordance with the Fund Agreement with UFV.

3.2.3 Any unused withdrawn money must be reinvested into the Endowment Fund.

3.2.4 Up to 25% of the Fund can be removed by one special resolution,

3.2.5 When money has been withdrawn from the Fund, a priority of the Society must be replacing the withdrawn funds. This can be through use of year end surplus, reallocation of the budget, and budgeting for future years.

#### **4.0 Deposits**

4.1 Money must be deposited into the Endowment Fund

4.1.1 Each year to a minimum of 2% of the operating budget;

4.1.2 In accordance with the Surplus Policy; and

4.1.3 Through a majority vote of the Board or a motion at a SUS general meeting.