

MAPLE VALLEY SCHOOL FOUNDATION
EXPENDITURES POLICY

OBJECTIVE

The objective of this Expenditures Policy is to increase the size of the Foundation's endowment while achieving the Foundation's goal of providing scholarships to selected and deserving graduating seniors of MVAO High School and providing program support to the Maple Valley School District and the AOMV Middle School. In achieving this objective consideration will be given to funds availability, program quality and desirability, student achievement and student support of the foundation.

PURPOSE

This policy is intended to ensure long-term support of and assistance to the Maple Valley School District, AOMV Middle School and the graduating seniors of MVAO High School who choose to continue their education after high school.

AUTHORITY

The Board of Directors of the Foundation has the authority to establish this policy. The board will review policy performance and compliance and recommend changes if needed.

MANAGEMENT

The management of the endowment and operating funds of the Foundation within the limitations imposed by this policy shall be the responsibility of the Treasurer. The Board of Directors shall have oversight responsibility and shall review the endowment and all receipts, expenditures, scholarships and grants at least quarterly.

ENDOWMENT

Except as modified under DONATIONS and SCHOLARSHIPS below, all donations to the Foundation and all lifetime memberships and lifetime pledges shall be maintained as a permanent endowment, the principal of which shall not be invaded without prior authorization of the Board of Directors. In any year when the scholarships and grants awarded by the Foundation and operating expenses of the Foundation do not exhaust the total amount available for expenditure that year, the excess shall be added to and become a permanent addition to the endowment. Capital gains on the sale of investments and donated property shall be added to and become a permanent addition to the endowment.

DONATIONS

The Foundation shall have authority to receive donations from any acceptable source. The Foundation may receive donations which are subject to acceptable use directions or restrictions. Absent such donor direction or restriction the Board of Directors shall have the authority to award up to ten percent (10%) of each donation in scholarships and grants in the year of receipt. The maximum individual scholarship or grant shall be \$2,500.00.

SCHOLARSHIPS

In addition to scholarships awarded by vote of the Board of Directors, graduating seniors who have helped support the Foundation shall be entitled to scholarships according to the following guidelines.

1. Each senior who has sold twenty (20) or more new annual memberships shall receive a \$500.00 scholarship.
2. For each lifetime membership sold by a graduating senior a \$500.00 scholarship shall be awarded.

MAXIMUM ANNUAL EXPENDITURES

Except as modified under DONATIONS and SCHOLARSHIPS, above, the maximum amount the Foundation shall expend in any year for scholarships, grants and operating expenses shall be the sum of annual memberships, interest, dividends and other income generated by the foundation's investment portfolio, but not including capital gains.

Approved by the Foundation Board of Directors on _____.