

**SOUTHERN WEST VIRGINIA COMMUNITY COLLEGE FOUNDATION, INC.**  
**SFP-1012**

**SUBJECT:** Endowment and Distribution Policy

**REFERENCE:** None

**ORIGINATION:** May 7, 2025

**EFFECTIVE:** December 2, 2025

**REVIEWED:** New Policy

**SECTION 1. PURPOSE**

- 1.1 This policy establishes the Southern West Virginia Community College Foundation, Inc. (Foundation) as the philanthropic repository for Southern West Virginia Community and Technical College.

**SECTION 2. DEFINITIONS**

- 2.1 Endowment – An endowment is a permanent, self-sustaining source of funding. Endowment assets are invested, and a portion of the fund's value is distributed annually to support its purpose.
- 2.2 Foundation – The Southern West Virginia Community College Foundation, Inc.
- 2.3 College – Southern West Virginia Community and Technical College

**SECTION 3. POLICY STATEMENT**

- 3.1 For permanent endowments, after the first year, unless otherwise negotiated with the donor and every year thereafter, an amount not to exceed four percent (4%) of the average market value of the endowment asset over the past 12 fiscal quarters will be distributed for the designated purpose of the endowment unless otherwise stated.
- 3.2 The Foundation assesses an endowment administrative fee equal to one percent (1%) of the endowment's average market value over the past 12 fiscal quarters. This fee is used to oversee the endowment's share of the Foundation's invested assets and operations. The endowment administrative fee applies to all endowments except those provided by philanthropic entities with policies that do not allow such administrative fees to be assessed or for existing endowed funds established pursuant to an agreement that does not permit such fees. In all cases, actual investment fees will be assessed for all endowments.
- 3.3 Any earnings above and beyond the annual distribution amount and fees will be reinvested in the principal of the endowed fund to provide for the growth of the fund and to sustain its viability according to its purpose.
- 3.4 If an endowment's market value is less than the original corpus, the board will determine the appropriate amount, if any, for distribution and fees on a case-by-case basis unless otherwise directed

by the endowment agreement.

- 3.5 \$25,000 will establish a general restricted or unrestricted endowment. A general unrestricted endowment provides unrestricted support to be allocated as needed at the discretion of the Foundation President or the President's designee. A general restricted endowment means the donor can place restrictions on the purposes for which the endowment's funds can be used.

**SECTION 4. BACKGROUND OR EXCLUSIONS**

- 4.1 None.

**SECTION 5. GENERAL PROVISIONS**

- 5.1 None.

**SECTION 6. RESPONSIBILITIES AND PROCEDURES**

- 6.1 Endowment administrative fees are transferred to the Foundation's general operating fund annually at the beginning of the calendar year.

**SECTION 7. CANCELLATION**

- 7.1 None.

**SECTION 8. REVIEW STATEMENT**

- 8.1 This policy shall be reviewed regularly, and the president or the president's designee will determine a time frame for review. Upon such review, the President or the President's designee may recommend that the policy be amended or repealed to the Foundation Executive Committee.

**SECTION 9. SIGNATURES**

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**President** **Date**

**Attachments:** None

**Distribution:** Members, Southern West Virginia Community College Foundation, Inc.  
[www.southernwv.edu](http://www.southernwv.edu)

**Revision Notes:** New Policy