

BCE Board Policy | Endowment Contributions from Annual Campaign Funds Board Approved & Adopted September 19, 2019

PURPOSE

The Burlingame Community Education Foundation (“BCE”) annual campaign, which runs during BCE’s fiscal year (July 1st - June 30th), raises funds to be included in BCE’s annual grant (the “Annual Grant”) to the Burlingame School District (“BSD”).

The purpose of this policy is to define the process by which the BCE Board of Directors (the “Board”) can in its sole discretion direct BCE annual campaign funds in excess of BCE’s annual campaign goal for its Annual Grant to the BCE Endowment Fund (the “Endowment”).

The target amount of the Endowment is \$2,000,000. Annual contributions to the Endowment will be necessary to reach this target and strengthen BCE’s ability to provide long-term stability and benefits to BSD.

ENDOWMENT CONTRIBUTION LIMIT

Each year the Board will vote on an annual campaign goal (the “goal amount”) to sustain BCE-funded BSD programs and for planned growth. The goal amount will be used as a public fundraising target for the fiscal/school year.

In years where BCE raises funds in its annual campaign that exceed the goal amount, the Board may direct to the Endowment a portion of that year’s annual campaign funds in excess of the goal amount. To ensure Endowment funding does not adversely impact the Annual Grant, the excess amount directed to the Endowment in any one year cannot exceed 3% of the Annual Grant amount in the immediately preceding year. The Board may consider periodically whether to adjust this Endowment contribution limit up or down for future years and shall revise this policy accordingly.

Assets of the Endowment shall be managed by the Board and governed by the BCE Endowment Policy and relevant state and federal law.

In years where the amount raised by BCE in its annual campaign is equal to or less than the goal amount, the Board shall not direct any amount of that year’s annual campaign donations to the Endowment.

Amounts directed by the Board to the Endowment will be restricted and governed by the Endowment Policy. All gifts directed by the donor to the Endowment are not covered by this policy and shall not be included in determining the amount of funds exceeding the goal amount for the year in which the donor Endowment gift was made.

Examples:

In 2019 school grant was \$2,514,000. The fundraising goal for the 2019-20 year has been identified as \$2,650,000.

All marketing materials promoting the Annual Campaign will list the goal of \$ 2,650,000.

If the 2019-20 annual campaign raises \$ 2,650,000 or less, zero funds will be available for the endowment.

If the 2019-20 annual campaign raises \$2,915,000 (10% growth), the Board can vote to fund the endowment up to \$75,420 (3% of the 2019 Grant of \$2,514,000).

This Policy will be reviewed by the Director of Operations, Treasurer, and President and any Endowment committees or liaisons every two years.

ADDITIONAL RESOURCES

- Endowment Policy