

THE HEALTH SCIENCE CENTER AT BROOKLYN FOUNDATION, INC.
POLICIES & PROCEDURES

Title: Spending	No. <u>HSCBF-0010</u>
Reviewed by: Foundation Management	Original Issue Date: <u>10/2004</u>
Approved by: HSCBF Board	Revised Date: <u>05/2016</u>
	SUNY Policy Ref. No. <u>N/A</u>

I. Summary

The Board of the Health Science Center at Brooklyn Foundation, Inc. has adopted a plan to lower the overall spending on unrestricted assets in order to protect the long-term growth of the Foundation and thus its support of Downstate Medical Center.

This policy will become effective upon the approval by the Board. In addition, notices will be mailed to all account holders upon approval.

The Subcommittee on Finance and Investment will review this policy every year to determine its adequacy and will make recommendations to the full Board to change the spending rate when appropriate.

II. Policy

A. President's Account and Dean's Account

An amount equal to the previous 3-years moving average of the CPP revenue to the President's Fund, net of management fees, will be allocated for expenditures from the President's account, #8234. This figure will be calculated as of the end of the preceding fiscal year. The President may allocate a portion of this revenue to the Dean's account,

#8194, thus reducing the amount available to be expended from the President's Fund and increasing the amount available to be expended from the Dean's Fund.

B. Endowment Accounts

Expenditures from the unrestricted account of the Endowment funds shall be made in accordance with the Endowment agreement. Each endowment account will have its own restriction and maintained in its relevant files.

C. Other Accounts

Expenditures from all other Foundation accounts shall be 5%, net of management fees, of the previous 3-years' moving average of Total Unrestricted Net Assets reported on the Audited

Financial Report as of the end of the preceding fiscal year, excluding the President's Fund and Dean's Fund.

D. Exceptions

Requests for exceptions must be submitted to the Treasurer of the HSCB Foundation, for approval of the Subcommittee on Finance and Investment.