

**BANDON LIBRARY FRIENDS AND FOUNDATION
BLFF ENDOWMENT FUND
POLICY
ADOPTED 11/26/2013**

Introduction/Purpose

The purpose of this policy is to establish guidelines and procedures for receipt, management and disposition of funds or other properties that are received by the Bandon Library Friends and Foundation (BLFF) for the BLFF Endowment Fund or are placed in the Endowment Fund by the BLFF. These rules will restrict the fund's use, provide guidelines for investing and for how much of the interest can be used yearly, identify the amendment process if needed under extraordinary circumstances, and ensure that BLFF is in compliance with state requirements for investing and managing its endowment fund. BLFF's intent is to comply with Uniform Prudent Management of Institutional Funds Act as it pertains to BLFF's Endowment Fund.

Bandon Library Friends and Foundation has created the BLFF Endowment Fund to provide for the future income of the organization. BLFF wishes to assure its long-term ability to achieve its purposes, especially to provide funding support to Bandon Public Library. The BLFF Endowment Fund's principal will be maintained intact in perpetuity, increased annually by donations and other income sources, and invested to create a source of income to support the BLFF's purposes and goals stated in the Bylaws and reflected in the Bandon Library Friends and Foundation's Strategic Plan.

Fund Management

The general charge to the Board is to manage and direct the collective resources of the Endowment Fund in a manner consistent with the interests of donors, the BLFF and the library.

The funds are to be held in accounts managed by the BLFF Treasurer with the advice and consent of the BLFF Board. Investment policies and activities, endowment fund earnings and endowment fund expenditures shall be reported to the BLFF Board at least quarterly.

The signing officers for the Endowment Fund shall be:

The President of the BLFF
The Treasurer of the BLFF

Friends, patrons, and/or organizations of the community donate moneys to the Bandon Library Friends and Foundation, either as gifts or bequests. Such gifts, at the stipulation of the donor or if they are not otherwise restricted, can become part of the BLFF Endowment Fund.

BLFF may annually contribute to the Endowment Fund from any unrestricted funds or assets it has. The Board reserves the right to refuse any donation to the Endowment Fund that does not meet the organizational purposes or to refuse placing into the BLFF Endowment Fund donations with restrictions that they be spent in a particular way.

The Endowment Fund shall be sustaining, with the Board electing to spend only the interest generated in the previous fiscal year.

Any spending decisions regarding the proceeds of the Endowment Fund will need to be ratified by the full board.

Investment Policies

The fiscal year for the purposes of reporting the financial status of the BLFF Endowment Fund is July 1 through June 30.

The Board may authorize the expenditure of up to 100% of the interest/dividend income in any fiscal year. Annually, on July 1 unexpended interest/dividend income becomes part of the Endowment Fund principle.

Administrative expenses for the Endowment Fund (e.g. bank charges or investment fees) shall be borne by the Fund.

At least 80% of the Endowment Fund principle shall be deposited in an interest-bearing account in an appropriately deposit-insured financial institution. The Treasurer may invest funds in treasury bills or such other investments that are authorized or directed by the BLFF Board.

Changes and Amendments

Changing times or unusual circumstances may dictate desirable changes in the Endowment Fund Policy at some future time. Any change to this policy shall require approval at two (2) consecutive regularly scheduled BLFF Board meetings with a preannounced agenda of the specific proposal.