

## SPENDING DISTRIBUTIONS ON ENDOWMENT FUNDS

- President Capilouto continued discussions with the Council on Postsecondary Education during the fall regarding the treatment of underwater RCTF endowments. As a result of support from the Governor's Office and President Capilouto's efforts, the limitations placed on these endowments will be lifted.
- **Specifically, the FY 2009-10 and FY 2010-11 spending replenishments that were to be processed by December 1 are no longer required this year or in the future.**
  - Prior replenishment payments are expected to remain in the endowment.
- **In addition, beginning in January 2013, the limitation of the spending distributions to actual income for underwater RCTF endowments will be eliminated.**
  - Many colleges and departments should notice an increase in spending distributions from underwater RCTF endowments when the spending distributions are posted in February.
- The University's Endowment Investment Policy is currently being reviewed by the Board of Trustees Investment Committee. Additional changes are being discussed such as the spending distribution method, spending rate, and delaying distributions on new endowments. Any such changes would likely be effective July 1, 2013. An update on the changes will be provided in December.