

**BURLINGAME COMMUNITY FOR EDUCATION FOUNDATION**  
**ENDOWMENT FUND POLICY**

1. Name. The name of this fund is the Burlingame Community for Education Foundation Endowment Fund (the “Fund”). The Fund is an Endowment Fund as that term is defined in the Uniform Prudent Management of Institutional Funds Act, as amended from time to time (“UPMIFA”).

2. Management. Assets of the Fund shall be owned and managed by Burlingame Community for Education Foundation (“BCE”) in accordance with the terms set forth below. The goal of the Fund is to balance the current needs of BCE and its constituencies with the obligation to preserve and grow the Fund for future generations. The Board may amend this Policy from time to time.

3. Purpose. The purpose of this Fund is to further the charitable and educational purposes of BCE by providing general support for its operating and program-related needs, as determined by the Board.

Notwithstanding the above, a donor making a contribution to the Fund of at least \$50,000 may restrict the use of his/her gift to a specific purpose (a “Restricted Purpose”). Any Restricted Purpose must be clearly stated in the donor’s gift instrument, and must be approved by the Board prior to acceptance. If at any time in the judgment of the Board it becomes impossible or impracticable to carry out exactly the Restricted Purpose in the manner requested by the donor, a purpose and manner as near as is practicable to the Restricted Purpose shall be determined by the Board.

4. Annual Spending from the Fund. The Charity may appropriate for expenditure so much of the Fund as the Board determines is prudent, consistent with the provisions of UPMIFA and the intent that the Fund be an Endowment Fund (the “Annual Spending Amount”).

5. Investment Guidelines. Assets of the Fund shall be invested according to the standards set forth in UPMIFA and BCE’s Investment Policy as amended from time to time. Assets of the Fund may be commingled for purposes of investment with other assets of BCE.

6. Emergency Invasion. If the Board determines, by a vote of three-fourths of the directors then in office, that funds are urgently needed for an emergency, BCE may spend up to fifteen percent (15%) of the value of the Fund (as measured on the previous December 31) during a calendar year in addition to the Annual Amount for such year; provided, however, that once an emergency withdrawal has been made under this Paragraph 6, no further withdrawals in excess of the Annual Amount may be made until the current value of the Fund equals the value the Fund had on December 31 of the year before the previous emergency withdrawal was made.

7. Costs. The Charity’s costs to hold and invest the Fund shall be charged to the Fund, and shall not diminish the Annual Spending Amount to be spent from the Fund.

8. Accounting. Any Fund assets which are held for a Restricted Purpose shall be accounted for separately to facilitate their management.

9. Donor-Specific Endowment Fund. With the approval of the Board, a donor making a contribution of at least \$100,000 may establish a separate endowment fund pursuant to a separate endowment agreement. Such an endowment fund may, with approval of the Board, bear the name of the donor or an individual designated by the donor.

10. Charitable Trust. All funds held in the Fund are held in charitable trust under California law for the purposes stated above, and shall not be subject to the claims of any creditor or to legal process, and shall not be involuntarily alienated or encumbered.