



Funds Management Philosophy, Donor Alternatives, Fees

Purpose of Foundation:

The Union City Education Foundation provides financial support for Union City community schools. Strategically, this support takes three forms:

- ◆ Short-term projects that occur within a one-year time frame and would not otherwise be possible because of budget constraints. Our existing Teacher Grant program is a living example of this category.
- ◆ Curriculum enhancement or program support: Assisting the school in adapting to the changing requirements for student readiness for the workplace or their next level of higher education.
- ◆ Scholarship assistance for graduating seniors moving on to their life's next phase. We are open to support of short-term vocationally-oriented programs as well as traditional four-year-degree education.

Purpose of Fees:

A Foundation has operating expenses directly related to the ability to fulfill its mission. These costs include focused staff and elements of infrastructure such as legal fees, accounting fees related to internal due-diligence and external tax and compliance reporting, ongoing funds management and administration to assure compliance with donor wishes.

Philosophy of Funds Management:

Unlike large Foundations that use aggressive investment policies because they have the resources to absorb stock-market losses, we follow a conservative strategy, minimizing the risk of loss of donor dollars. This philosophy means that we must rely on reasonable fees rather than relying on large investment returns. We view this philosophy as prudent, particularly in times of economic uncertainty and stock market volatility.

Philosophy of Funds Usage

We are tightly focused on supporting excellence in education for Union City schools. We believe that education at the operational level is a classic short-term endeavor. We must support teacher efforts today with plans for next year. We must adapt curricula regularly to be ready for changing technology and related impact on students' career and life opportunities. At today's rate of change, five to ten years is typical for the lifecycle of new technologies, from arrival to full-blown engagement in education. Accordingly we seek to pursue dialog with donors that reflects the importance of funds use that is consistent with rapidly changing needs.

Donor Recognition

Major donors are recognized as Legacy Donors in-perpetuity, without regard to the time frame of funds usage..

Categories of Donations:

Unrestricted, Apply to Highest Priority Mission Need: These donations are acknowledged as directed toward a specific funds focus, but have no restriction as to specific use or time-frame of use.

Semi-restricted: Donor has indicated a specific purpose and/or time frame of funds usage. There can be advance and/or ongoing dialog about the school's needs within the framework of donor objectives.

Restricted: Donor has clearly specified both the exact purpose and time-frame of the donation.

Fee structure:

Unrestricted: No initial setup. No ongoing fees.

Semi-restricted: Fund setup: 3% of initial deposit. Ongoing fees: 1% of funds balance, \$250 minimum

Restricted: 5% of initial funds deposit. Ongoing fees: 1%, \$1000 Minimum.

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