



Simplified Explanation: Charitable Giving to UCEF Fees, Investment Strategy, Investment Revenue Utilization, Donor Recognition

Your gift can be earmarked for one or more of the following fund categories:

- UC Alumni Association Action Fund**
- UC Education Foundation General Fund**
- UCEF Scholarship Fund**
- UCEF Teacher Effectiveness Fund**

During preliminary conversations, we can cover more details of funds and purposes. The UCEF website provides detailed explanation. **It IS possible to split support among funds. Minimum donation to establish a fund: \$10,000**

An Education Foundation actively assists in the education of the current generation of students. We do not use an in-perpetuity endowment system that pays out over decades ahead. We believe that educational needs are “now.” Donations made to UCEF should be viewed as supporting specific educational purposes.

Except as discussed below, Investment income that derives from donated funds become part of the Foundation’s General Funds balance, further strengthening the Foundation’s ability to support highest priority educational purposes.

Unlike an endowment-based foundation, there are **zero ongoing fees** for fund management.

Initial Setup Fees: Fees are based primarily on donor-specified timeframe of funds usage:

Fund Type	Setup Fee
Unspecified Timeframe	-0-
20 Years or more	3%
13-19 years	2%
6 to o12 years	1%
5 years or less	0%

Option to Eliminate Setup Fees: If overall gift is split, with 20% or more unrestricted, setup fee is waived. It is common to include an amount in the initial donated amount to cover fees, ex: \$102,000 for \$100,000 balance.

Large Donation Credit to Principal Balance: The principal balance of funds over \$100,000 will receive an annual credit of the amount by which Foundation investment earnings exceed 2%.

Donor Recognition: Our concept is *In-Perpetuity Recognition without regard to timeframe of funds usage*. Any gift or cumulative gifts over \$10,000 will receive recognition as a Benefactor of the Foundation, and that recognition will be communicated on the Foundation’s wall-board(s), electronic media and printed material on a continuous basis.

Funds Management Strategy: As a small-town Foundation, it is recognized that we do not have the financial strength to recover from long downturns in the stock market. Accordingly our investment strategy is essentially “zero risk” seeking opportunities in CD’s, money markets and similar vehicles that utilize favorable interest rate trends to improve yield. At present, our funds are self-managed by our Investment Committee, and decisions are straightforward as of early 2023 with enormous turbulence in the equity markets. This strategy will be monitored regularly and revised accordingly if: (a) more complex alternatives become attractive or (b) our financial growth calls for additional professional advice. In that case, we will consider the services of a professional investment firm.

Brief Summary, Primary Funds Puproses

- UC Alumni Association Action Fund:** Unrestricted use, Alumni Association activities
- UC Education Foundation General Fund:** Unrestricted use, highest priority needs, UCEF
- UCEF Curricula Fund:** Meeting emerging job-marketing related changes, usually technology
- UCEF Scholarship Fund:** Helping graduates afford the evolving needs for higher education
- UCEF Teacher Effectiveness Fund:** Helping the school maintain an effective, loyal teacher corp.