



## Funds Management, Fee Structure, Donor Recognition Union City Education Foundation

Most recent update: January 20, 2022

### Purpose of Fees

The core purpose of the Union City Education Foundation is advancement of educational excellence in Union City community schools. Our focus is the current generation of students being taught by the current generation of educators using modern day technology and latest teaching methods.

This purpose is met primarily via support of teacher capability and morale, additions to curriculum and related infrastructure that meet emerging needs in society or the marketplace, and direct aid to students via scholarships or other life assists. We encourage donors to **consider alternatives to endowment gifts that limit educational impact to income-on-principal only**, having the practical result of supporting education in the 2050s as strongly as education in the 2020s and leading to erosion of fund balances due to inflation.

Therefore, **the Foundation utilizes a zero-risk investment strategy** consistent with the reality that we do not have a multi-million dollar endowment that can absorb the gains and losses of long-terms equity investing.

A **reasonable fee structure** is integral to our ability to achieve educational objectives, effectively manage funds, remain current with emerging needs in support of public education, and execute funds distribution in accordance with donor wishes. The fee structure also recognizes that scholarship-restricted donations do not provide support for **within-the-school** educational improvement and attendant costs.

### Categories of Donations and Associated Fee Structure

#### Unrestricted:

Usage and timeframe to be determined based on greatest-need dialog between the Foundation and Randolph Eastern School Corporation .

Fund Setup: Zero. Annual Fee: Zero

#### Semi-Restricted

Donor specifies fund usage for outside-the-school education

Donor specifies timeframe of funds usage from 1-14 years.

Fund Setup: 2% (\$250 minimum). Annual Fee: 1.5%, but not to exceed income from funds balance.

#### Restricted:

Donor specifies time frame of 15 years or more.

Fund Setup: 3% (\$1000 minimum).

Annual Fee. 1.5%, but not to exceed earned income from fund balance.

### Timing of Assessment

Setup fees are assessed after completion of all implementation steps.

Annual Fees assessed pro-rate for year one at time of setup, then by January 31 for subsequent full years.

### Assignment of Earned Income:

for funds initiated at \$10,000 or more, Income earned during the calendar year will be added to the existing funds balance.

### Donor Recognition:

One-time or cumulative donations exceeding \$10,000 are recognized in perpetuity on the Legacy Donor Wall at the school and in on-line or published media..