



# The Better Place MINISTRIES

## Endowment Spending Policy

### **Definition**

Spending policy is the established rate that determines the amount expended for distribution. At The Better Place, this is not tied to a percent, but it is limited to income only.

### **Philosophy**

The basic philosophy behind this policy is to provide both higher total investment returns and increasing distributions over time that will keep pace with or exceed inflation. This is accomplished by:

- Investment management based on maximizing total return
- Investment objectives based on long-term growth of both assets and distributions exceeding the rate of inflation
- A spending level set as high as needed, but without risking the long-term growth objective

### **Spending Rate**

Annual earnings will be drawn on to support the identified purpose of each endowment fund provided that sufficient earnings will be reinvested in each fund to grow each fund at least in keeping with the rate of inflation; if not more.

### **Spending Calculation**

At the end of each year, sometime in the fourth quarter, The Better Place Board of Directors will determine spending for the ensuing year as part of the budgetary process.

### **Investment Returns**

As indicated above in “spending rate,” returns exceeding total spending will keep pace with inflation and assist in growing the funds market value to provide for greater spending in perpetuity.

The Board of Directors of The Better Place, Inc. may amend this document at any time.