**PURPOSE**

To provide clear, transparent and accountable guidelines for the acceptance of endowments and the maintenance of endowment funds in a way that is consistent with PWRDF’s vision, mission and values and in accordance with the objects of the Corporation.

**APPLICATION**

This policy applies to all directors, members, employees and agents involved in management of PWRDF’s endowments.

**POLICY**

PWRDF will

- establish endowment funds from endowments included in a donor’s will or endowments comprised of outright cash donation or the redemption value of stock, bonds, or other marketable securities
- where possible, work with the donor to state the gift in general terms so that the language allows for the possibility of changed circumstances in the future and provides for a more enduring long-term benefit
- ensure the endowment funds are managed according to the agreement between PWRDF and the donor or as laid out in a donor’s will
- manage the endowment funds effectively, prudently and in material compliance with all applicable legal requirements
- invest endowment funds in accordance with the PWRDF Investment Policy
- preserve the capital value of the funds, in such a way that the purchasing power of these funds will be maintained
- The minimum acceptable amount will be $25,000.

**ADMINISTRATION**

The PWRDF Investment Committee will provide an annual written report to the Board of Directors of endowment funds held as part of the overall Investment portfolio report.

**DEFINITIONS**

An **Endowment** is a long-term fund invested to produce an annual payout to support the charity’s mission. “Endowment” is not a legal term and is not found in Canadian law but is commonly used to describe long-term, sometimes even “perpetual”, investment funds held by charities.

**Endowment Funds** are generally established by donor restricted gifts and bequests to provide a term endowment, which is to fund income for a specified period. The portion of a term endowment that must be maintained for a specified term is classified as temporarily restricted net assets, and is called the Endowment Fund for a given endowment.

**AMENDMENT**

This policy may be amended by the PWRDF Board.