MARION COMMUNITY FOUNDATION

How Grants Are Calculated

The annual amount of a grant or scholarship is determined by multiplying our **spending rate** times an **average market value** of the fund over the previous 12 calendar-year quarters. Consistant with industry practices and the Uniform Prudent Management of Institutional Funds Act (UPMIFA), we use this percentage of a moving average to help reduce some of the market fluctuations that can affect the value of a fund at any given time. Let's look at an example of how this works:

Quarter	Market Value
3/31/Y1	$126,147
6/30/Y1	$123,673
9/30/Y1	$138,644
12/31/Y1	$139,889
3/31/Y2	$137,214
6/30/Y2	$137,740
9/30/Y2	$141,445
12/31/Y2	$144,006
3/31/Y3	$142,365
6/30/Y3	$138,314
9/30/Y3	$140,663
12/31/Y3	$144,658
Total:	$1,654,758
Divided by 12:	137,896
X 4.0%:	5,515
Amount of grant or scholarship:	**$5,515**

4.0%
spending rate

1.0%
administrative fee

Spending Policy

We take our motto – **For You. For Marion. Forever.** – seriously at Marion Community Foundation. Currently, the Board of Directors has approved a program spending rate of 4.0% for our funds, maintained a graduated spending rate reduction strategy to safeguard the long-term value of the funds when market conditions and other factors negatively impact a fund, and set administrative fee rates to 1.0% for all fund types.

How & When You Will Be Notified of Grantable Amounts

Calculations begin soon after we close our books for December 31. After carefully checking these calculations, the spendable amounts are typically approved by our Board of Directors in late February and a letter is mailed to all fund creators in March stating the amount available to be granted from the fund in the calendar year.

504 South State Street, Marion, Ohio 43302
740-387-9704
www.MarionCommunityFoundation.org

MARION COMMUNITY FOUNDATION