

OLDS COLLEGE POLICY

Olds College recognizes the need for Policies and Procedures, and the need for staff and students to be familiar with and follow such policies and procedures. It is the intent of Olds College that breach of College policies or procedures shall result in disciplinary measures up to and including suspension or termination. This applies to all College staff and representatives.

CATEGORY:	B. Financial and Administrative
SUBJECT:	Endowments, Inflation and Investment Recapitalization
POLICY NUMBER:	B24
CROSS REFERENCE:	

NEW \ REVISED	
Administrative Services Committee	Academic Council
September 19, 2016	

POLICY STATEMENT

Olds College receives endowment donations which provide annual investment revenues to fund student awards, program development and delivery, professional development, capital purchases and general college operations.

Inflation may erode the benefits from these endowments. Protection of an endowment’s purchasing power against inflation will be selectively implemented based on the strategic importance of its revenues to the College’s operations.

SPECIFIC GUIDELINES

The strategic importance of endowments will be set as a function of either the College’s Business Plan, direction from the Board of Governors or the Executive team. In the absence of an endowment being identified as in need of having its purchasing power protected from inflation, the College will not undertake any targeted action.

Where it has been deemed necessary to protect an endowment’s purchasing power, the Office of Advancement will develop and implement strategies to raise additional endowment funds with the intention of increasing the endowment principle and related earnings.

Recapitalization of endowment earnings provides limited protection from inflation and reduces annual endowment earnings to support College operations. Recapitalization of new endowments will be restricted to a maximum of 20% and permitted only when it is a condition of the original gift and the gift exceeds \$100,000 for operational endowments and \$15,000 for student award endowments. Recapitalization criteria for endowment agreements established prior to implementation of this policy will remain intact.

IMPLEMENTATION AND ADMINISTRATIVE RESPONSIBILITY

The Vice President, Advancement. This policy will be reviewed at least every five (5) years.