

Spending Policy

It is the long term objective of The Winnipeg Foundation to make available for annual grant making activities an amount of 4.5% of the average of the three preceding years' market value of each fund in the Consolidated Trust Fund (CTF). The average market value is calculated on the basis of 12 quarters.

The Winnipeg Foundation may annually recoup a portion of its operating expenses as set out in The Winnipeg Foundation's Fee Policy as amended from time to time and that amount shall be determined by The Board of Directors of The Winnipeg Foundation, taking into account, the actual annual costs incurred in operating The Winnipeg Foundation.

The Winnipeg Foundation uses 1979 as a base year to calculate an inflation adjustment for each successive year's capital contributions to the CTF. Thus, in addition to knowing contributed capital, The Winnipeg Foundation monitors an inflation protected target which essentially is required to protect the purchasing power of the original gifts. The difference between the inflation protected target and the actual market value is monitored and if this excess deteriorates or improves on an average 3 year basis, the spending policy calculation will be adjusted upward or downward in accordance with the following:

Average excess between inflation protected target & market value over 3 years	Amount available for annual grant making	Inflation Protected target
10% or more	5.0% average market value	100%
9% - 9.9%	4.9% average market value	98%
8% - 8.9%	4.8% average market value	96%
7% - 7.9%	4.7% average market value	94%
6% - 6.9%	4.6% average market value	92%
5% - 5.9%	4.5% average market value	90%
4% - 4.9%	4.4% average market value	88%
3% - 3.9%	4.3% average market value	86%
2% - 2.9%	4.2% average market value	84%
1% - 1.9%	4.1% average market value	82%
0% - 0.9%	4.0% average market value	80%
less than 0%	Policy Review	

Any adjustment to grant making will not be greater than 0.2% in any given year, and any adjustment to the inflation protected target will not be greater than 4% in any given year.

The spending for the next fiscal year (October 1) will be determined in September.

When any document cites the Spending Policy of The Winnipeg Foundation, it is referring to the above formula. The CRA requires that endowments "spend" at least 3.5% annually. In situations where it is appropriate, taking into account donor preference, longer term Agency benefit and administrative circumstances, The Foundation may use the stipulated CRA minimum rate as an approved alternate to the Spending Policy.

The spending policy of The Winnipeg Foundation may be amended from time to time.

September 30, 2015