

**UCF FOUNDATION BOARD OF DIRECTORS**  
**Agenda Item Summary**  
**April 14, 2023**

**Title:** Fiscal Year 2024 Spending Distribution

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Information       Discussion       Action

**Purpose and Issues to be Considered:**

Each year the UCF Foundation Investment Committee approves the spending rate and calculation for the endowment spending distribution, taking into consideration investment performance, contributions and fees, and national averages that impact the endowment portfolio. This rate was 4% for fiscal year 2022-2023.

The overall spending for fiscal year 2023-2024 totals \$8.7 million or 4.1% of the total pool.

**Background:**

The National Association of College and University Business Officers (NACUBO) produces a report of endowments based on an annual survey of both public and private higher education institutions. According to the most recent NACUBO survey, higher education institutions reflected an average effective spending rate of 4.3% for the fiscal year ending June 30, 2020.

Although market volatility has impacted the endowment pool, the current spending rate of 4% is sustainable in the portfolio.

The Investment Committee approved the FY24 Spending Distribution at the December 8, 2022, meeting. The Executive Committee approved the FY24 Spending Distribution at the February 16, 2022, meeting.

**Recommended Action:**

Approve the proposed endowment spending rate of 4% for fiscal year 2022-2023, with distribution of funds totaling \$8.7 million.

**Alternatives to Decision:**

Decline to recommend approval.  
Table item of business for future consideration.  
Request revisions for future consideration.

**Fiscal Impact and Source of Funding:**

The fiscal year 2023-2024 spending distribution totals \$8.7 million, a 8% increase from the prior year's distribution of \$8.1 million. The full value will be available on July 1, 2023, for all colleges to use.

**Authority for UCF Foundation Board Action:**

Florida Statute 1004.28  
UCF Foundation Bylaws Article 4.1, Section A.3

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**Contract Reviewed/Approved by Assigned General Counsel**  **Not Applicable**

**Agenda Item Reviewed/Approved by Assigned General Counsel**  **Not Applicable**

**Agenda Item Reviewed/Approved by Associate Vice President, DSOs**  **Not Applicable**

**Committee/Board Chair has Approved Adding This Item to the Agenda**

**Submitted by:**

Glen Dawes '84, *Chief Financial Officer*, UCF Foundation, Inc.

**Supporting Documentation:**

None

**Facilitators/Presenters:**

Included in Consent Agenda