

<p style="text-align: center;">WEST CHESTER UNIVERSITY OF PA TOTAL RETURN ENDOWMENT SPENDING RATE</p>

In January of 1998, the Council of Trustees approved a "total return" spending policy for the University's endowment. Under the "total return" concept, a pre-set and fixed annual return is provided regardless of actual return. The "total return" approach provides a good level of predictability when estimating the return that will be available for spending. It also reduces the spending fluctuations that would occur if spending were tied directly to the actual investment return.

A spending rate of 3.5% has been in place for the current year. **The Investment Subcommittee of the WCU Foundation has made their annual review of the spending rate and has recommended the continuance of the 3.5% spending rate for the 2020-21 fiscal year.** This recommendation is based on guidance from the investment managers, as well as aggregated information from other colleges that show their spending rates at or above 3.5%.



Council of Trustees
West Chester University | West Chester, Pennsylvania 19383 | www.wcupa.edu

Approved

RESOLUTION

COUNCIL OF TRUSTEES


WEST CHESTER UNIVERSITY OF PENNSYLVANIA

May 14, 2020

TOTAL RETURN ENDOWMENT SPENDING RATE

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA HEREBY APPROVES THAT THE CURRENT 3.5% TOTAL RETURN ENDOWMENT SPENDING RATE OF THE MARKET VALUE OF THE ENDOWMENT BE CONTINUED FOR THE 2020-21 FISCAL YEAR.

APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES

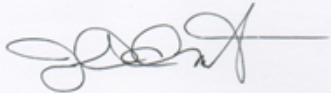


Christopher M. Fiorentino, Ph.D.
President

May 14, 2020

Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES



J. Adam Matlawski, Chairperson
Council of Trustees

May 14, 2020

Date