



Section 1: Overview

The George Brown College Foundation (GBCF) has a fiduciary responsibility to donors to ensure endowed funds are utilized in accordance with the terms and conditions of each donor's endowment agreement. The donor's intent, as established within these agreements, is the paramount factor in awarding scholarships, bursaries and aid from the Endowment Expendable Funds. Additional constraints emanate from various legal bodies (i.e. CRA, Trust Act, Common Law, etc.), with which the Foundation must comply.

Scholarship disbursement will be monitored with the establishment of proper controls and will be subject to audit. The George Brown College Office of Scholarships and Awards will administer scholarships through an open process providing all College's students the same opportunity to apply for these scholarships.

The purpose of this policy is to define how investment earnings on endowment investments are allocated into principal and expendable endowment funds.

Section 2: Investment and Earnings

Donations received for endowments must be invested in the financial market according to the rules in the Statement of Investment Policies and Guidelines for GBCF. The net investment income should be available to award scholarships.

Net investment income is the addition of interest and dividends earned minus investment management fees, audit fees and other approved expenses. This amount will be recorded as expendable funds available for endowment scholarships.

Realized and unrealized earnings and losses earned on investments held by endowments will be added, subtracted to the principal endowment balance. The expectation is that these earnings will exceed the inflation rate over time, allowing the endowment principal to grow in real terms. The increases on principal value, will allow increases on net investment income thus, increases on endowment expendable funds available.

Section 3: Amount for Disbursement

The net investment income earned in any fiscal year will be added to the balance on expendable endowment funds of the previous fiscal year and made available to award scholarships.

GBCF will inform the College’s Office of Scholarships and Awards of the amount of expendable funds available in each endowment to award scholarships in the following fiscal year immediately after releasing the Audit Report.

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| POLICY: | GEORGE BROWN COLLEGE ENDOWMENT DISBURSEMENT POLICY |
| APPROVING AUTHORITY: | GBCF BOARD OF DIRECTORS |
| EFFECTIVE DATE: | NOVEMBER 29, 2023 |
| MAND33ATED REVIEW: | NOVEMBER 29, 2026 |