

Duquesne University Endowment Spending Policy Statement

The Duquesne University Endowment Fund seeks to provide Duquesne University with a reliable source of income to be used in a manner consistent with the donor's stated interests and the University's desire to provide quality education, research and public service. To a large degree, the endowment distributions provide the University with an income source for program enhancements and generally do not constitute the only source of program operations revenue.

The Endowment is to be managed in a manner consistent with the University's fiduciary responsibility, emphasizing growth in excess of inflation. To achieve the Fund's objective to grow, a targeted spending rate shall be 5.5% of the average fair market value of the Fund from the previous 16 quarters. This calculation will be performed at the end of each calendar year, and will be used to determine the proceeding fiscal year distribution. To be eligible for the proceeding fiscal year distribution, an addition to the Endowment Fund must have been received no later than the last quarter of the calculation period.

Example

Donor A gives money to Duquesne on December 31, 2008 to establish a new endowment fund. This newly established endowment will receive a fiscal year distribution beginning July 1, 2009; fiscal year 2009-10 –approximately a 6 month waiting period.

Donor B gives money to Duquesne on January 1, 2009 to establish a new endowment fund. This newly established endowment will receive a fiscal year distribution beginning July 1, 2010; fiscal year 2010-11 – approximately an 18 month waiting period.