

<p style="text-align: center;">GRINNELL COLLEGE Endowment Spending Policy (Approved by the Board of Trustees February 2014)</p>

Distribution

Endowment distribution is calculated as 4.0% of the 12-quarter moving average endowment market value determined annually as of the December 31 immediately prior to the beginning of the fiscal year.

Budget Allocation

The College shall not allocate 100% of this distribution to the operating budget. Factors in determining the allocation include:

- 1) Revenue balance.
- 2) Expenditure discipline.
- 3) Facility requirements (including debt service) and strategic initiatives.

In the rare instance an exception to established policy is deemed prudent and necessary, both the President and the Board must authorize such departure in advance and document the terms in the Board minutes.