

Warren-Newport Public Library District

Lake County, Illinois

Board of Trustees

Policy 2022

Endowment Fund

Adopted: November 21, 2017

Reviewed/Revised: February 18, 2020; June 18, 2024

ARTICLE 1. STATEMENT OF PURPOSE

The purpose of the Endowment Fund of the Warren-Newport Public Library District (WNPLD) is to provide ongoing financial support for WNPLD, thus enabling WNPLD to enhance services to patrons.

ARTICLE 2. GOAL AND USE OF FUNDS

Section 2.01 Goal

The goal of the Endowment Fund (the Endowment) is to build an asset base that generates earnings that can be used to pay for special projects that would otherwise be difficult or impossible for WNPLD to fund.

Section 2.02 Use of Funds

To increase the asset base, all earnings for the first three (3) years after the Endowment was established were be added to the asset base. Following this initial period, the annual budgeting process includes the Board of Trustees designating a project or projects to be completely or partially funded by the earnings generated by the Endowment during the previous year. Earnings from multiple years may be allocated to the same project. While the intent is that the earnings be allocated to one or more WNPLD projects each year, if the Board chooses not to fund any projects, the earnings from the previous year will become part of the asset base of the Endowment for the purpose of increasing the Endowment.

ARTICLE 3. CONTRIBUTIONS AND GIFTS

Section 3.01 Forms of Contributions and Gifts

The Endowment can accept gifts and contributions in the form of cash, insurance proceeds, marketable securities, or real estate.

Section 3.02 Stocks and Real Estate

A gift of marketable securities or of real estate will be sold, and the proceeds will be added to the Endowment's asset base. Any interest or dividends received on marketable securities during the time between its donation and its sale and any rent received for real estate during the time between its donation and its sale will become part of the Endowment's asset base. Expenses

specifically related to the disposition of marketable securities or real estate will be reimbursed from or offset against the proceeds received from the sale of the related gift.

Section 3.03 Confidential Gifts to the Endowment

At the request of the donor, the nature of the gift and/or the identity of the donor will remain confidential to the extent permitted under relevant local, state, and federal regulations. If no request for confidentiality is made, WNPLD may disclose the identities of its benefactors.

ARTICLE 4. ACCOUNTING AND REPORTING

The Board of Trustees approves expenditures from the earnings of and acceptance of restricted donations to the Endowment. Balances in the Endowment will be reported to the Board of Trustees annually. The Endowment will be included in the annual independent audit of WNPLD.
