



**Memorandum: Administration Fee on New Endowments**

Approved: November 14, 2015

The following fee schedule is applied to new permanent endowments:

**Fee Schedule:**

Endowment Market Value (USD)	Annual Fee	Annual Fee Example
\$100,000* - \$1 million	.5%	For a \$100,000 endowment, the fee would be \$500
>\$1 million - \$5 million	.35%	For a \$3 million endowment, the fee would be calculated as follows:  \$1 million @ .5% annual fee = \$5,000 <u>\$2 million @ .35% annual fee = \$7,000</u> Total Fee of \$12,000
>\$5 million**	.25%	<i>Either a flat or tiered fee, determined by staff on a case-by-case basis.</i>

\* The minimum level of funds to establish a permanent endowment with the United Board is \$100,000

\*\* For endowments which begin with or reach a market value of \$5 million or higher, staff will consult with the donor as to the application of a flat fee or tiered fee schedule on a case-by-case basis.

**Calculation of the administrative fee on new endowments:**

The annual fee is calculated as part of the spending rate. For example, if a \$100,000 endowment is drawn at an approved spending rate of 4.1%, 3.6% would go to the donor's specified purpose, and .5% is the administrative fee.

Please contact Trudy Loo, Director of Development at 212-870-2612 or by email at: [tloo@unitedboard.org](mailto:tloo@unitedboard.org) for any questions on the above.

*The United Board reserves the right to change its administrative fee and gift policies at any time.*