The investment objective of the LCS Langley Christian School Foundation (hereinafter referred to as “the LCS Foundation”) is to enhance the value of the LCS Foundation and at the same time provide a dependable, increasing source of income, which will be used to:

- establish and maintain Endowment Funds for the benefit of Langley Christian School.
- provide prizes, bursaries, fellowships, scholarships or otherwise for the benefit of students graduating from Langley Christian School.
- provide for major capital expenditures for Langley Christian School.

**Financial Objective**

Currently, the LCS Foundation will invest only in Langley Christian School. If/when Langley Christian School does not need the investment from the LCS Foundation, a policy for investing funds from the Foundation will be developed.

**Spending Policy**

Income (interest, dividends and net rents) from the LCS Foundation shall be distributed to Langley Christian School not less often than annually, and such income shall be used for the charitable purposes designated by the LCS Foundation.

All capital gains, realized and unrealized, shall be allocated to the principal of the LCS Foundation and there shall be no encroachment on this principal except as may be necessary to satisfy the disbursement quota from a capital account.

**Investment Management**

The income earned shall be used for the purposes authorized by this agreement. The investment, management, and expenditure of all funds shall be in accordance with the LCS Foundation’s policies and procedures. The rate will be set annually on December 31 at prime + 2 as per that day.
Asset Allocation

All funds from the Foundation will be invested in Langley Christian School, which will provide a predictable and reliable source of interest income. This will be reviewed on an annual basis by the LCS Foundation Board.

Minimums for Designated Endowments

Any amount may be contributed for the general endowment or for any previously established named endowment (scholarship)

The minimum required to establish a named endowment, the income from which can be used at the discretion of the LCS Foundation, is currently $10,000.

Execution of Endowment Agreements

A named endowment (scholarship) can be established either by a lifetime gift or by bequest. When it is created by a lifetime gift the donor and officers of the Foundation will sign an endowment agreement that sets forth the terms of the endowment. When the donor executes a will containing language directing that a named endowment be established, no other documentation is required.

Contributions for existing named endowments or for the general endowment require only a transmittal letter or bequest language stating the donor's intention.