Example Fund Distribution Amount Calculation

The amount available each year for distribution from funds for grants and scholarships is based on the following formula:

The sum of the market values of the fund at quarter end for each of 20 quarters (5 years) divided by 20 (or the number of quarters the fund has been invested with CFNEA, if less) times the current spending rate.

i.e.:

$$\frac{\text{Quarter End (QE) Market Value (MV) Quarter (Q) 1 + QEMV Q2 + QEMV Q3 + QEMV Q4 + QEMV Q5+ QEMV Q6 + QEMV Q7 + QEMV Q8 + QEMV Q9 + QEMV Q10 + QEMV Q11 + QEMV Q12 + QEMV Q13 + QEMV Q14 + QEMV Q15 + QEMV Q16 + QEMV Q17 + QEMV Q18 + QEMV Q19 + QEMV Q20}}{20} \times \text{Current Spending Rate}$$

For example, if we have a $10,000 hypothetical fund that has been invested with CFNEA for two years (8 quarters) with a current spending rate of 3.75%, the amount available for distribution would be:

$$\frac{\$10,000 + \$10,500 + \$10,600 + \$10,200 + \$10,800 + \$10,600 + \$11,000 + \$10,900}{8} = \$10,575$$

$$\$10,575 \times .0375 = \$396.56$$

Distribution amount available = $396.56 for a $10,000 fund invested for 2 years