



# International Union of Pure and Applied Chemistry

## *Fund Policy Statements*

### 1. PURPOSE

Biennium Operating Reserve Fund This fund is the prime financial protection for the Union in the event of a severe worldwide economic downturn.

General Assembly Special Fund This fund is to be used to supplement the expense of holding General Assembly meetings in locations where the costs are considerably more expensive than the norm.

IUPAC Endowment Fund This fund is treated as an “endowment fund”, that is, only the interest earned on the principal in this fund will be used for special projects of a broad nature that enhance the stature of the Union.

Special Funds IUPAC encourages individuals and organizations to participate in its mission. While in most cases this takes the form of collaboration and participation in IUPAC projects, it can also be financial aid to various IUPAC activities. Such financial aid can directly support specific IUPAC projects, or it can be set up as a special fund that is used to accomplish certain goals over a period of time or in perpetuity. Special Funds may also consist of those royalty streams from books published by a Division or commission that have an ongoing activity to update the publication.

### 2. Investment of Funds

The aggregate of these funds is managed as a single long term portfolio according to the IUPAC Investment Policy and the guidelines contained therein.

### 3. Allocations to Funds

Biennium Operating Reserve Fund This fund shall contain an amount of money approximately equal to the currently approved biennium budget minus the operating funds for the publications.

General Assembly Special Fund The level of this fund shall be set by the Finance Committee at its annual meeting. The maximum held in this fund is \$250,000 USD.

IUPAC Endowment Fund The amount of the Fund will be set from time to time by the Finance Committee based on the overall financial situation of the Union’s investment portfolio

Special Funds Any funds which are set up as Special Funds shall have the amounts designated according to agreements with the Division controlling these funds. These funds will appear as separate line items in the accounting documents of the organization.

### 4. Disbursement Guidelines from Funds

Disbursement of funds from these accounts must be approved by the Finance Committee, or the Treasurer and Chairman acting on behalf of the Finance Committee.

As needed, funds from the Biennium Operating Reserve Fund and General Assembly Special Fund may be approved for disbursement, decreasing these funds until new levels are established at the annual Finance Committee meeting.



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The IUPAC Endowment Fund will maintain its principal and the funds available for disbursement will not exceed the annual yield on this fund at the fixed interest rate (bonds and fixed funds).

Disbursement of Special Funds shall follow the following guidelines:

1. The goals for which such a special fund is established must be consistent with and support the IUPAC mission and goals.
2. The purposes of the fund should be defined and the body or group within IUPAC that is responsible for administering the funds should be specifically identified (i.e. is it a Division Committee, the President of IUPAC etc.).
3. The fund should be categorized as either an endowment (i.e. only the interest on the money will be used to fund projects) or a consumable fund (i.e. a fund in which both the interest and some principal will be used until the fund is exhausted).
4. The money in the fund shall be invested in the long-term IUPAC investment portfolio and shall earn the prevailing interest based on the portfolio of fixed income instruments in the IUPAC portfolio such as bonds and fixed income funds.

The disbursement from these special funds will be under the control of the responsible group subject to all the guidelines contained in this policy and the accepted IUPAC practices for reimbursed expenditures such as travel and subsistence.