Investment Policy Statement

The Calgary Rotary Clubs Foundation

January 19, 2016

1. OVERVIEW

The objective of The Calgary Rotary Clubs Foundation (CRCF) is to maintain and build a capital fund which will provide predictable and perpetual annual support for the community service activities of participating Rotary Clubs.

The Board of Directors (the “Board”) of the CRCF has established and approved this Investment Policy Statement which serves as a guide for managing the assets of the CRCF that are invested in the public markets.

All funds are to be managed in compliance with the overriding principles and objectives of Rotary including the application of the 4 Way Test.

THE OBJECT of Rotary is to encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:

> FIRST. The development of acquaintance as an opportunity for service;
>
> SECOND. High ethical standards in business and professions, the recognition of the worthiness of all useful occupations, and the dignifying of each Rotarian’s occupation as an opportunity to serve society;
>
> THIRD. The application of the ideal of service in each Rotarian’s personal, business, and community life;
>
> FOURTH. The advancement of international understanding, goodwill, and peace through a world of fellowship of business and professional persons united in the ideal of service.

The Four-Way Test

OF THE THINGS we think, say or do:

1) Is it the TRUTH?
2) Is it FAIR to all concerned?
3) Will it build GOODWILL and BETTER FRIENDSHIPS?
4) Will it be BENEFICIAL to all concerned?

2. INVESTMENT POLICY STATEMENT

This Investment Policy Statement clarifies the key factors and considerations for the CRCF’s investment portfolio (the "Portfolio") and provides a set of written guidelines for the management of its assets.

This Investment Policy Statement will be reviewed at least annually to ensure that it continues to reflect the CRCF’s circumstances and requirements. The appendix includes a chronological list of historical modifications approved by the Board.

3. ROLES AND RESPONSIBILITIES

3.1 Board of Directors

The Board has ultimate authority over and responsibility for the Portfolio. To assist it in the performance of its duties and to ensure that the Portfolio meets its objectives, the Board will:

i) Appoint an Investment Committee (the "Committee");
ii) Receive the Committee's recommendations with respect to the Portfolio's Investment Policy Statement and re-approve or amend the Statement, as appropriate, on an annual basis; and
iii) Review all other reports and recommendations of the Committee with respect to the Portfolio and take appropriate action.

3.2 Investment Committee

The Committee will:

i) Make recommendations to the Board regarding the selection, engagement, or dismissal of a professional investment manager (a "Manager"), a Custodian and any other specialist or consultants they may wish to hire;
ii) Formulate specialized instructions and mandates for the Manager including any restrictions on the types of assets that may be held in the Portfolio or the choice of asset mix. These instructions and mandates will derive from, reflect and be consistent with the provisions of this Investment Policy Statement;
iii) Monitor the Portfolio's performance and its compliance with the Investment Policy Statement and report on these matters to the Board on a quarterly basis;
iv) Review and ensure compliance with public policy and regulatory frameworks applicable to investments of endowed and managed funds;
v) Review this Statement of Investment Policy at least annually and recommend amendments as appropriate to the Board.

3.3 Investment Manager(s)

The Investment Manager(s) (the “Manager(s)”) will:

i) Provide a review of the Portfolio’s performance as well as expectations on the economic and financial market outlook and related investment strategies on at least a quarterly basis to the Investment Committee;
ii) Provide an annual in-person presentation of the Portfolio’s performance as well as expectations on the economic and financial market outlook and related investment strategies to the Board at a time and place determined by the Board;
ii) Provide administrative assistance with respect to the receipt or disbursement of monies to/from the Portfolio and act as a liaison between the Committee and if necessary any Custodian or sub-managers in this connection;

iii) Notify the Investment Committee promptly in writing of any significant changes in the policies, procedures, personnel, ownership or any similar areas of the investment firms;
iv) Inform the Investment Committee if the Manager at any time feels that the performance expectations cannot be met or that any guidelines contained herein restrict performance;
v) Disclose any material interest in any investment or proposed transaction;
vi) Provide a letter of compliance within four (4) weeks at the end of each quarter, detailing and explaining any investment guidelines contained in the policy which have been breached and/or confirming compliance;
vii) Have full discretion in day-to-day investment management of the Portfolio, or that portion of the Portfolio for which they have been given responsibility, subject to this Investment Policy Statement and any amendments thereto as well as any specialized instructions and mandates issued by the Committee;
viii) Ensure that all transactions are completed on a 'best execution' basis;
ix) Confirm receipt of and acceptance of all terms and conditions specified in this Statement of Investment Policy in writing; and
x) Exercise the care, skill and diligence that can reasonably be expected of a prudent person and adhere to the CFA Institute's Code of Ethics and Standards of Professional Conduct.

3.4 Custodian

Custody of the Portfolio's assets other than pooled funds will be delegated to a trust company or other financial institution similarly recognized as a depository for securities. The Custodian will:

i) Provide safekeeping for Portfolio assets;
ii) Process transactions as directed by the Manager;
iii) Collect interest, dividends and the proceeds of cash equivalent and fixed income instrument maturities;
iv) Inform the Manager of pending corporate actions (e.g., name changes, mergers, odd lot offerings) and process instructions related to such matters;
v) Deposit funds and pay expenses as directed by the Manager;
vi) Maintain a record of all transactions;
vii) Provide regular reports to the Committee and the Manager;
viii) Provide the Manager and other agents of the Committee with information required to fulfill their duties, or as directed by the Committee; and
ix) To the extent possible, provide applicable information as may be requested by the CRCF's auditor.

4. INVESTMENT OBJECTIVES

4.1 Return on Investments

The minimum total return objective is to achieve the following:

1. The disbursement policy goal of distributing 5% each year - see appendix for the calculation methodology;
2. Capital preservation of the Portfolio as measured by CPI (as calculated by Statistics Canada and available on the Bank of Canada website);
3. Recovery of the cost of managing and administering the Portfolio.

For example: Assuming CPI of 2.5%, management expenses of 0.5% and the 5% distribution policy goal, the total nominal return objective is 8.0%. Alternatively, the absolute real return objective (after inflation) is 5.5%. This rate of return may not be achieved in each and every year; however, the Portfolio is expected to generate this minimum return over rolling 5 year periods. Returns will be measured against the benchmarks outlined in Section 7.3. For CPI data, both Headline and Core CPI data will be considered.

4.2 Risk Tolerance

The Portfolio should be structured and managed to provide for the generation of its targeted rate of investment return while assuming the lowest possible risk. The Portfolio's exposure to risk will be measured in terms of the standard deviation of its investment returns. It is expected that a well-designed manager structure using high-quality investment managers will exhibit stronger performance and less risk than the market.

5. INVESTMENT CONSTRAINTS

5.1 Legal and Regulatory Status

The CRCF is registered with the Canada Revenue Agency as a charitable organization. Its year-end is February 28. Based on the minimum disbursement quota as defined in the Income Tax Act, the CRCF is required to disburse a minimum 3.5% of the average trailing eight quarters' fair market value.

5.2 Taxation Status

The CRCF is registered as a charitable organization by the Canada Revenue Agency and as such is exempt from income tax provided it meets requirements enumerated in the Income Tax Act (Canada) and its Regulations.

5.3 Investment Time Horizon

The CRCF is intended to exist in perpetuity. For planning and portfolio structuring purposes, it will be assumed that the investment time horizon of the Portfolio is ten years. It should be noted that this Investment Policy Statement will be reviewed on at least an annual basis.

5.4 Liquidity and Income Requirements

The Portfolio requires sufficient liquidity to support the CRCF's annual disbursement requirements. The Investment Committee Chair will communicate the disbursement requirement to the Manager(s) each June following the Annual General Meeting. It is anticipated that periodic donations to the CRCF may reduce the need for liquidity from the investment manager(s) to meet the annual disbursement requirement. When there is more than one Manager the amount requested may or may not be equal for each Manager and may be determined in order to maintain the long-term strategic asset allocation of the portfolio as well as the targeted allocation of assets between or among Managers.

6. ASSET MIX

A portfolio's asset mix is the proportion within which various asset classes are represented in the portfolio. In general, the greater a portfolio's allocation to equities relative to fixed income securities, the greater is the potential for capital appreciation and the higher its potential risk (as measured by the standard deviation of the portfolio's rate of return). Conversely, the greater the allocation to fixed income instruments relative to equities, the lower the potential for capital appreciation and the lower its potential risk (as measured by the standard deviation of the portfolio's rate of return). The asset mix is the principal means of controlling the Portfolio's risk and return characteristics and is therefore the key investment decision.

6.1 Recommended Asset Mix

Given the Portfolio's targeted return on investments, risk tolerance, legal and taxation status, investment time horizon and disbursement requirements, the following permissible asset classes and ranges have been established (Table I).

Table I: Long Term Strategic Asset Allocation

Asset Class	Target Allocation	Permissible Range
Cash Equivalents	0%	0% to 25%
Fixed Income	40%	30% to 60%
Canadian Equities	35%	15% to 45%
US Equities	12.5%	5% to 25%
International Equities	12.5%	5% to 25%
Total Equities	60%	35% to 70%

It will be the responsibility of the Investment Committee to confirm the appropriateness and suitability of the allocations to each asset class and the permissible ranges outlined above.

7. INVESTMENT MANAGEMENT GUIDELINES

7.1 Eligible Asset Classes - Definitions and Constraints

Cash Equivalents, Short-Term Paper
Cash equivalents (and short-term investments) will consist of instruments, issued by governments or corporations, with terms to maturity of 0 to 12 months and include fixed income instruments originally issued with a term to maturity of 12 months or less.

Cash equivalents originally issued with terms to maturity of 12 months or less will have a minimum Dominion Bond Rating Service (DBRS) credit rating of R-1 (Mid) or an equivalent rating by another well-established rating agency at the time of purchase and thereafter. No more than 5% of the total Portfolio will be invested in the issues of any one corporate issuer.

Fixed Income Instruments
Investments in the following marketable fixed income instruments are permitted:

- bonds;
- debentures;
- notes;
- coupons and residuals;
- asset-backed securities; and
- preferred shares.

Such instruments must be:

- issued or guaranteed by the Government of Canada or one of its agencies;
- issued or guaranteed by a Canadian provincial government or one of its agencies;
- issued by a Canadian municipality or regional government;
- issued by a Canadian corporation; or
- issued by a foreign government or a foreign corporation.

Notwithstanding the above, 'maple bonds', i.e., bonds denominated in Canadian dollars both in terms of interest payments and principal payments but issued by non-Canadian entities, may be held in the portfolio provided they meet the minimum credit rating standards set out below.

All other fixed income instruments must have a minimum credit quality rating of BBB or better at the time of purchase and thereafter. If only 2 agencies rate a security the lower rating will be used. The above limit will be applied with temporary latitude in the event of the downgrading of a security. No more than 5% of the total Portfolio will be invested in the issues of any one corporate issuer. Not more than 10% of the total Portfolio will be invested in the issues of any one Province. Pooled funds of the investment manager are also exempted from this provision.

Foreign pay bonds should not constitute more than 10% of the market value of the fixed income asset class unless the foreign pay bonds are hedged back to CAD, and should only be invested in if the Manager believes it is in the best interest of the Portfolio. Pooled funds of the investment manager are also exempted from this provision.

Equities
Investments in the following equity securities are permitted:

- publicly traded common stocks;
- rights, warrants, installment receipts, convertible debentures and other instruments convertible into common stocks;
- income trust units issued and/or registered in jurisdictions where appropriate legislation is in place to limit the liability of unitholders;
- American Depositary Receipts; and
- Global Depositary Receipts.

Individual equities or equities held within equity funds must be listed on a major stock exchange and be of 'investment grade'.

Investment in the securities of any single issuer should not constitute more than 5% of the market value of the Portfolio as a whole. In addition, investment in the securities of any single issuer should not constitute more than 10% of the market value of the equity asset class.

No aggregate investment in small capitalization equities (as defined by the manager) shall exceed 15% of the total market value of the Portfolio

Alternative Strategies
Alternative strategies may include hedge funds, infrastructure, private equity, venture capital, real estate, commodities, foreign exchange or any other investment strategy that is not included in the traditional asset classes outlined above. The allocation to alternative strategies may come from any traditional asset class (cash, bonds, or equities). Prior to investment in any alternative strategy approval of the Board is required.

Other Investments
Other investments may include long-only, unleveraged ETFs or any other investment that is not included in the traditional asset classes described above. Use of ETFs must not violate any investment guideline or restriction specified in this Investment Policy Statement.

7.2 Additional Constraints, Inclusions and Exclusions

The Portfolio as a whole and each asset class represented in the Portfolio must be reasonably diversified. If more than one Manager is employed, all reasonable attempts will be made to ensure that the Portfolio is diversified in terms of investment management 'style'.

All investments, [with the exception of certain Alternative Strategies], should be liquid at the time of purchase and thereafter. In the event that the Manager(s) forecast(s) an impairment in the liquidity of an investment, the Manager will make all reasonable efforts to liquidate the investment on a timely basis.

Index, mutual and pooled funds may be held in the Portfolio with the understanding that the guidelines in the Fund's offering memorandum will supersede the aforementioned guidelines. While such funds will be managed in keeping with their own investment policies, these policies must be consistent with the spirit of this Investment Policy Statement. In the event that there are any substantive inconsistencies between the provisions of this Investment Policy Statement and the policies applicable to a fund that a Manager wishes to employ in the Portfolio, the Committee must provide written approval for investing in the fund before any such investment is made. These funds will be categorized as cash equivalents, fixed income investments or equities as appropriate given their underlying securities or the capital markets to which they are intended to provide exposure. In the event that a Manager plans to make a material change to the mandate or investment policy of one or more of the Manager's index, mutual or pooled funds held in the Portfolio, the Manager must provide the Committee with prior notice of the revision. This notification must be provided to the Committee at least one month in advance of the proposed revision.

Derivative securities, other than those employed by hedge fund managers, may be held in the Portfolio for hedging purposes only. Derivative securities may not be used for speculative purposes.

The Manager(s) shall not borrow money, pledge or otherwise encumber any of the Fund's assets. Overdraft positions are not to be intentionally created.

The Committee reserves the right to instruct the Manager(s) to exclude any asset, security or category of investment and will notify the Manager(s) by written notice in the event that such restrictions are to be imposed. The Committee may place further constraints, limitations or requirements on the Portfolio in order to achieve specific short-term objectives.

Gifts or donations consisting of marketable securities transferred into the Portfolio will be liquidated as soon as possible.

7.3 Performance Standards

Investment Returns
The Portfolio's investment performance will be measured against the performance of a 'benchmark' index calculated using appropriate market indices combined in the same proportion as the Portfolio's benchmark asset mix. Performance measurement will be reported quarterly in accordance with the CFA Institute standards. In addition to standard calendar-year performance reporting the Manager(s) will include returns beginning March 1 and ending February 28 to correspond with the CRCF's fiscal year.

Table II: Portfolio Benchmark

Asset Class	Benchmark	Allocation
Cash and Cash Equivalents	FTSE TMX Canada 91--Day T-Bill Index	0%
Fixed Income Instruments	FTSE TMX Canada Universe Bond Index	40%
Canadian Equities	S&P/TSX Composite Index	35%
US Equities	S&P 500 Index ($CDN)	12.5%
International Equities	MSCI EAFE Index ($CDN)	12.5%

The benchmark index indicates the return that a passive investor (i.e., one who invests in market indices) would earn by consistently employing the allocation shown above.

The Portfolio's investment performance will be measured net of investment management fees and will be compared to the benchmark index over rolling 3-year and 5-year periods.

The performance of individual asset classes is expected to:

i) Exceed the return of their corresponding benchmark indices; and
ii) Rank favourably to the performance of an appropriate peer group of investment managers.

Manager(s) will also be evaluated in terms of compliance with the provisions of this Investment Policy Statement and any amendments thereto as well as any specialized instructions and mandates issued by the Committee; and the provision of satisfactory reporting and client service.

7.4 Rebalancing

Each calendar quarter, the total Portfolio will be reviewed for compliance by the Manager(s) with the ranges established in Section 6. If the portfolio mix violates the target ranges shown in Section 6.1 the Portfolio will be rebalanced to the upper or lower bound of the ranges for each asset class, unless otherwise approved by the Investment Committee.

To the extent that is reasonable and possible, inflows and outflows of cash or assets in kind will be directed in such a way as to maintain:

i) The long-term strategic asset allocation of the Portfolio; as well as
ii) The targeted allocation of assets between or among Managers.

8. REPORTING AND SERVICE

8.1 Investment Manager(s)

On a quarterly basis and within 30 days of the end of the calendar quarter, the Investment Manager(s) will provide the Committee with:

i) A valuation of the Portfolio as at the end of the quarter;
ii) Data and commentary on the Manager(s)' investment performance for the past quarter and on a year to date basis relative to benchmarks established in this Investment Policy Statement or to the Manager's specialized mandate in the event that more than one Manager is engaged;
iii) In addition to standard calendar year performance reporting the Manager(s) will include Portfolio returns beginning March 1st and ending with the CRCF's February 28 fiscal year-end.

On an annual basis and within 30 days of the end of the calendar year, the Investment Manager(s) will provide the Committee with:

i) Annual commentary on the investment strategy and tactics employed over the past quarter;
ii) Data and commentary on the Manager(s)' investment performance for the past quarter as well as for the past 1-, 3-, 5-, and 10- year periods and since inception relative to benchmarks established in this Investment Policy Statement or to the Manager's specialized mandate in the event that more than one Manager is engaged; and
iii) Information pertaining to changes of investment or senior management personnel and/or ownership structure.

The Manager(s) will be available for meetings with the Board and Committee on an annual basis, or more frequently if required by the Committee, and will be available for discussion and consultation on an ad hoc basis.

9. HIRING OF A MANAGER

The Committee must approve the acceptance of all new mandates and their benchmarks. Therefore, the proposed Investment Manager must be prepared to provide the following information for consideration by the Committee to allow it to fulfill its fiduciary responsibilities to the CRCF:

- i) The firm's history including type of ownership, current assets under management and client turnover rate;
- ii) A description of the investment process including research capabilities, criteria for buy and sell decisions and risk controls;
- iii) Biographies for each of the investment team members including their tenure at the firm and with the intended strategy;
- iv) The firm's fee schedule for the intended strategy; and
- v) CFA Institute (GIPS) compliant monthly investment performance over the past 5 years, at a minimum, for the intended strategy.

After the Committee is satisfied that the above information is acceptable, the Investment Manager must meet the following additional criteria:

- i) Exceed the return of the appropriate benchmark over rolling 3-year and 5-year periods;
- ii) Rank favourably to appropriate peer investment manager performance universes;
- iii) The strategy's market risk, as measured by standard deviation, ranks below the market risk for comparable investment managers over rolling 3-year and 5-year periods;
- iv) Identify that the investment team currently in place is responsible for the past investment performance;
- v) Agree to adhere to the roles and responsibilities of Investment Managers as outlined in the Investment Policy Statement; and
- vi) Adhere to all investment manager guidelines as outlined in the Investment Policy.

10. TERMINATION OF A MANAGER

The Committee will consider recommending to the Board that a Manager be terminated when one or more of the following circumstances prevail:

- i) The Manager's investment performance results have been below the median performance results of the appropriate Manager peer group and/or the appropriate market benchmark index for 3 consecutive years;
- ii) The Manager's short-term underperformance is found to be a result of a change in the Manager's investment style, process or discipline or a change in the Manager's key investment personnel;
- iii) There is a significant change in the risk profile of the Manager;
- iv) There is a significant change at the Manager's firm including but not limited to a change in key investment personnel;

v) The Manager’s investment style is no longer appropriate given the Portfolio’s requirements;
vi) The Manager’s reporting and client service are unsatisfactory; or
vii) The Committee has concerns regarding the Manager’s ethics.

Notwithstanding the above, the Committee may recommend to the Board that a Manager be terminated for any reason that the Committee deems appropriate.

11. CONFLICT OF INTEREST

No fiduciary will knowingly permit his or her interest to conflict with his or her duties or powers relating to investment of the Portfolio’s assets or to any other matter related to the Portfolio. Any actual or perceived conflict of interest must be reported to the Committee. Such disclosure will be made when the affected individual first becomes, or ought to have become, aware of the conflict or potential conflict. The Committee will be the sole arbiter in determining whether the conflict of interest exists and, if it determines that a conflict does exist, will take all necessary and appropriate measures to remedy the situation. Every disclosure of a conflict of interest will be recorded in the minutes of the relevant Committee meeting.

The failure of a fiduciary to comply with the requirements of this Section will not of itself invalidate any decision, contract or other matter.

Rotary Code of Conduct

The Board will be guided by the principles from the Rotary Code of Conduct, which states:

AS A ROTARIAN I will

1. EXEMPLIFY the core value of integrity in all behaviors and activities
2. USE my vocational experience and talents to serve in Rotary
3. CONDUCT all of my personal, business, and professional affairs ethically, encouraging and fostering high ethical standards as an example to others
4. BE FAIR in all dealings with others and treat them with the respect due to them as fellow human beings
5. PROMOTE recognition and respect for all occupations which are useful to society
6. OFFER my vocational talents: to provide opportunities for young people, to work for the relief of the special needs of others, and to improve the quality of life in my community
7. HONOR the trust the Rotary and fellow Rotarians provide and do not do anything that will bring disfavor or reflect adversely on Rotary or fellow Rotarians
8. NOT SEEK from a fellow Rotarian a privilege or advantage not normally accorded others in a business or professional relationship

Appendix

The Calgary Rotary Clubs Foundation

Distribution Policy Statement

The objective of The Calgary Rotary Clubs Foundation is to maintain and build a capital fund which will provide predictable and perpetual annual support for the community service activities of participating Rotary Clubs.

The annual distributions should be guided by the following principles;

- Be compliant with CRA disbursement policy.
- Distribute an appropriate annual investment return to participating Rotary Clubs, in perpetuity.
- Stabilize annual distributions to provide budgeting certainty for participating Rotary Clubs.
- Maintain and increase the value of the original gifts to the Foundation.

In order to reduce the risk of significant variations from year to year due to investment market volatility or significant current year donations and build a reasonable endowment fund reserve, the total annual distribution for each fiscal year will initially be calculated as 5% of the average of the opening and closing fund balances of The Calgary Rotary Clubs Foundation for the three immediately preceding fiscal years. Beginning with the June 2017 disbursement to Clubs the calculation will be based on the four immediately preceding fiscal years and for the June 2018 disbursement and all future disbursements the calculation will be based on the five immediately preceding fiscal years.* At its discretion the Board will evaluate the impact of any significant donation and exclude it from the disbursement calculation for the current year if including it is expected to negatively impact the existing fund assets.

The annual distribution amount for each participating Rotary Club will be calculated on a pro rata basis according to the cumulative fund balances held to the credit of the respective Rotary Clubs at the prior fiscal year end (the last year used in the averaging formula).

The Calgary Rotary Clubs Foundation may revise this policy from time to time.

*For example: The June 2017 disbursements to Clubs, which may be communicated to clubs in June 2016, will be calculated based upon the average of the opening and closing fund balances of the CRCF for the 2013, 2014, 2015 and 2016 fiscal years. The June 2018 disbursement to Clubs, which may be communicated to clubs in June 2017, will be based upon the average of the opening and closing fund balances of the CRCF for the 2013, 2014, 2015, 2016 and 2017 fiscal years.

Revision Dates:	Description of Change:
December 2001	Investment Committee removed restriction on mix of foreign investments.
September 23, 2003	Board raised upper limit for equities from 30% to 40%.
April 19, 2005	Board raised upper limit for equities from 40% to 60%.
November 24, 2005	Foundation Members replaced the qualitative parameter of restricting investments to those permitted life insurance companies with the “prudent person” qualitative parameter.
March 27, 2009	Expanded all sections of Investment Policy Statement (IPS) including adding Rotary’s objectives and detailed reporting requirements to the IPS.
December 2, 2010	Changed the Restriction section 2b to conform with donators’ objectives.
January 18, 2011	Updated the wording of Restrictions and Expectations section 2(b).
September 18, 2012	Revised Distribution Policy section 2a; new distribution policy incorporated in new appendix.
April 16, 2013	Board raised upper limit for equities from 60% to 70%; relaxed the bond credit restriction to a minimum BBB.
June 17, 2014	Statement of Investment Policy document was re-organized and updated to provide greater clarity on: 1. Roles and responsibilities of the Board, Investment Committee, Investment Manager(s) and Custodian; 2. Investment Objectives & Constraints; 3. Long-term Strategic Asset Allocation; 4. Investment guidelines, performance standards; 5. Reporting requirements and service expectations; 6. Termination guidelines, conflict of interest; 7. Distribution Policy Statement example.
January 19, 2016	Revised the Distribution Policy calculation to extend the calculation period from 3 years to 4 years and then 5 years beginning with the fiscal year ending February 29, 2016. The policy that excludes donations received in the current year from the disbursement calculation is also removed.