

**This statement was approved by the Bureau and Council at the Brisbane  
General Assembly, July 2001**

***International Union of Pure and Applied Chemistry***

***Fund Policy Statement***

**1.0 PURPOSE**

Biennium Operating Reserve Fund This fund shall contain an amount of money equal to the currently approved biennium budget minus the operating funds for the publications. It is the prime financial protection for the Union in the event of a severe worldwide economic downturn.

Southern Hemisphere Sinking Fund This fund shall be reviewed by the Finance Committee Meeting at its annual meeting and additions made as appropriate with the fund total never exceeding \$250,000.

Young Scientists Awards Fund This will be an endowment fund which is set at an amount such that a 5% yield on the principal will result in sufficient funds to cover the cost the IUPAC Prize and the biennial subsidy to young observers in the host country for attendance of the General Assembly and Congress.

Endowment Reserve This fund will be the “residual” of the total long term investment account and will provide a 5% yield on this amount of funds for special projects including matching funds contributed from organizations outside IUPAC.

**2.0 Investment of Funds**

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

**3.0 Allocations to Funds**

Biennium Operating Reserve Fund This fund shall contain an amount equal to the actual operating expenses for the previous biennium, less publication expenses.

Southern Hemisphere Sinking Fund This will be set at a maximum of USD 250,000. This fund is intended to provide money for General Assemblies in particularly expensive locations and will be replenished as necessary by the Finance Committee.

Young Scientists Awards Fund The level of this fund is currently set at \$530,000. It will be used to fund the IUPAC Young Scientists Prize and the Young Scientists travel grants to the IUPAC Congress.

Endowment Fund Reserve Fund This is equal to the balance of the amount in the reserve and the income will be used to fund special projects as decided by the Bureau.

**4.0 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 Southern Hemisphere Sinking Fund may be approved for disbursement, decreasing these funds until new levels are established at the annual Finance Committee meeting.

The Young Scientists Awards Fund will maintain its principal and the funds available for disbursement will not exceed the 5% yield on this.

### **Item 20.3: Fund Policy Statements (Council Item 9)**

The Endowment Reserve Fund will maintain its principal and the funds available for disbursement will not exceed the annual yield on this fund at 5%.