



Subject/Title: Establishing A Fund
Policy Number: 2.02
Date First Adopted: October 18, 2013
Date Revised: May 1, 2020

A. PURPOSE:

This policy provides the requirements and process established for creating new Foundation funds and administering such funds in accordance with applicable donor restrictions

B. POLICY:

A new Foundation fund will be established when needed to differentiate the manner in which a specific gift is to be administered, invested, or disbursed. The need to establish a new fund typically arises when there are specific restrictions, as defined by the donor(s), which govern the handling and use of the donated funds. Prior approval by the CEO or designee is required to establish a new fund. Any donor restrictions on the fund must be specified in a written gift agreement, fully executed endowment agreement, pledge form, or other written confirmation approved by the CEO or their designee.

All funds are classified as either a scholarship fund, an operating fund, or an endowment fund. Earnings that are made from Foundation’s investment of eligible donated funds will become available to Foundation for spending in accordance with the Foundation’s Spending Policy. A named operating fund or scholarship fund requires a minimum opening gift of no less than \$10,000 except with approval from the CEO or their designee. An endowment fund requires a minimum gift or pledge of no less than \$25,000 payable over a five-year period.

For more information on types of funds see the policy on “Types of Funds”.

POLICY APPROVAL	
Policy: 2.02 – Establishing A Fund	
Approval Date: Revision – May 1, 2020	
 _____ Policy & Governance Committee Chair	<u>10.13.2020</u> _____ Date
 _____ Foundation Board Chair	<u>11/28/2020</u> _____ Date