

USE OF UNRESTRICTED FUNDS POLICY

Introduction & Overview

This Unrestricted Funds Policy is adopted by the SCSU Foundation, Inc. to establish a framework for designating the use of unrestricted funds (UR), which are funds received for which no restriction was made by the donor or other external agency as to the purpose for which the funds should be expended.

The Foundation's Board of Directors has ultimate authority and responsibility to designate the use of unrestricted net assets via the Finance Committee.

BOARD DESIGNATED

UR funds received from bequests, trusts and other sources may be designated by the board as Foundation unrestricted endowments. The income from the endowments will be available to support the purpose approved by the Foundation's board. Additions to this program will require board action to designate them for this purpose.

FOUNDATION RESERVES

Allocations from operating reserves need board approval following recommendation from the Finance Committee. The Foundation will maintain a Reserve of at least 2.5 times the Foundation's projected annual expenditures. When there are excess reserves at the end of a fiscal year, additional funds may be approved and allocated to University Support under the President's discretion.

UNIVERSITY SUPPORT

50% of Unrestricted Contributions, other than from estates and trusts, is designated to support the University plus any additional funds from the Foundation's excess operating reserves (to be reviewed annually by the Finance Committee) and may be used to benefit the University in the following ways:

- By request from the President of the University to use at his/her discretion to meet extraordinary needs or targets of unusual opportunity of special benefit to the University (see Request Procedures attached)
- To support specific capital campaign projects and other fund raising objectives
- To assist with funding for stated priorities such as faculty support and student recognition
- Community Sponsorships

- Support of specific Alumni Association events
- Purchase of alcohol for university events
- Other costs associated with advancing the mission of the University as approved by the Finance Committee

FOUNDATION SCHOLARSHIP & STUDENT ASSISTANCE SUPPORT

50% of Unrestricted Contributions, other than from estates and trusts, are designated to support students.

Amendment: This policy does not apply to special initiatives approved by the Foundation Board.

Approved: Finance Committee October 10, 2013

Approved: SCSU Foundation Board October 22, 2013

Revised: Finance Committee March 26, 2015

Revised: Finance Committee October 1, 2015

Approved: SCSU Foundation Board October 17, 2015

Amendment: Finance Committee February 11, 2016

Approved: SCSU Foundation Board February 25, 2016

Amendment approved: Finance Committee May 26, 2021

Approved: SCSU Foundation Board June 24, 2021