

INDIANA UNIVERSITY FOUNDATION

VOLUME: Policies/Procedures

TITLE: Unrestricted Gift Funds, Use of

DIVISION: IUF

DEPARTMENT: President

DCN NO. 1100-10-0003

DATE ISSUED: October 5, 1995

RATIONALE: To establish uses of unrestricted funds.

- POLICY:**
- I. Unrestricted gift funds that are contributed to the Indiana University Foundation (IUF) may be used for the benefit of Indiana University (IU) in the following ways, with priority given in the order listed:
 - A. To be made available to the President of the University to use at his discretion to meet extraordinary needs or targets of unusual opportunity of special benefit to the University. The IUF and IU agree on a budgeted amount each year that is a part of the IUF budget approved by the IUF Board of Directors.
 - B. To fund the costs associated with advancing the mission of IUF, communicating to donors and ensuring that it is accountable to all its constituents.
 - C. To reduce any temporary interfund borrowing in the General Fund of IUF arising as a result of funding University projects in accordance with the Reduction Plan for Interfund Borrowing approved by the Board of Directors.
 - D. To support specific campaign projects and other fund raising objectives that the University has requested IUF complete.
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1. Fundraising strategy as well as the attainment of dollar goals will be considered in allocating such funds.
 2. The President of IUF in consultation with the President of the University will determine how to allocate any such funds that may be available.
- E. To assist with funding for stated priorities such as faculty support, library support, and student aid.
- F. To support other programs in the University related to the private fundraising efforts of IUF.
1. The IU Alumni Association and IUF often collaborate on communication and other outreach projects, which inform prospective donors of the work of the University and thereby aid in the fund- raising process.
 2. In like manner, IUF works closely with the Office of University Relations and External Affairs in communication projects and programs.
- G. To augment Board designated funds which serve as the IUF unrestricted program endowment. The income from the endowment will be available to support current budgetary needs, to fund capital expenditures, or to provide a source of income to be reinvested, at the discretion of the IUF President. Additions to the IUF unrestricted program endowment will typically come from major gifts, and will require board action to designate them for this purpose.
- II. Annually, the President of IUF shall report to the Board of Directors on any such use of funds, as follows:
- A. Any planned uses of the funds shall be approved by the Board as part of the regular budgeting process.
 - B. Any discretionary use of the funds in excess of \$25,000 requires prior approval of the Finance Committee.
 - C. Any discretionary use of the funds shall be reported annually to the Finance Committee and the Board of Directors.
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DEFINITIONS:

REFERENCE:

REVISION Original version approved February 8, 1992 by the IUF Board of Directors
HISTORY: Revision approved June 16, 1995 by the IUF Board of Directors

APPROVED:

by the Finance Committee of the IUF Board of Directors on October 5, 1995