ADMINISTRATION OF GIFTS

The administration of all gifts is the responsibility of Northern Arizona University Foundation (the Foundation). The Foundation fund management and investment policies are overseen by the Foundation Board of Directors through the Foundation’s Finance and Investment Committees.

Donors should not be given assurances that their gifts will be invested in a manner inconsistent with the general policies of the Foundation. This is particularly true in cases in which the donor wishes to:
   A. direct that specific investments be made; or
   B. direct that a specific investment manager be used.

The Foundation staff will record all gifts, deposit gifts into the proper funds, and receipt gifts to the donors.

Named Gift Guidelines
The Named Gift Guidelines list the general information for naming opportunities including endowment, excellence, student enrichment, capital and expendable funds.

Reinvestment Fee for Foundation Accounts
The Foundation is a private, non-profit corporation and, as such, does not receive state appropriations to fund its operations. The Foundation Reinvestment Fee Policy can be found in Governance Section.

Endowed Accounts Earnings and Distribution
Endowed accounts earnings will be posted based on the criteria established in the Foundation Endowment Spending Policy found in the Governance Section.

Quasi-Endowment Funds
The Foundation Board of Directors may establish a quasi-endowment on a temporary or permanent basis. Quasi-endowed funds are limited to a single restrict code. Temporarily restricted dollars cannot be comingled with permanently restricted dollars.

Custodial Funds
Custodial funds are controlled by separate legal entities, but are invested and accounted for by the Foundation. The same policies are employed for the custodial funds as pertain to the endowed funds.

Scholarship Funds
Individuals outside of the Foundation may participate in the selection of scholarship recipients under certain conditions. Donors who have receipts for tax purposes for their contributions may only make recommendations from a pool of qualified candidates identified by the college or university scholarship committee. Such committees will consider the recommendations. In accordance with IRS regulations, the Foundation cannot accept a contribution to establish a scholarship designated for a specific individual.
Unrestricted Funds
The Foundation solicits, accepts, administers and disburses gifts in the form of donations, contributions, grants, gifts-in-kind, and bequests of property to support Northern Arizona University. Some of these gifts are comprised of assets and contributions whose use was not restricted by the donor. These funds may be used at the Foundation Board’s discretion based on recommendations from the university.

Investment and Management of Perpetual Endowed Funds
The establishment of a permanent fund creates an endowment, to be held in perpetuity by the Foundation for investment, with a percentage of the income (interest, dividends, and capital appreciation) used annually for distribution to carry out the donor’s stated purpose.

Endowed funds are managed through the Foundation’s pooled investment portfolio. The Foundation’s Board of Directors oversees the management of the institution’s endowment pool. The board’s Investment Committee is responsible for effective investment management and sound income distribution. Donors are not permitted to control the investment of endowed funds or the use of the income outside of the designated use and purpose identified in the Letter of Understanding. The Board takes a conservative approach in establishing the annual payout amount and maintains a reserve fund for periods where there might be a shortfall in anticipated earnings.