

ADMINISTRATION OF GIFTS

The administration of all gifts is the responsibility of NAUF. NAUF fund management and investment policies are overseen by the Foundation Board of Directors through NAUF's Finance and Investment Committees. **These policies are reviewed and distributed periodically to all Vice Presidents, Deans, Directors and fund administrators.** This is not done – should it be – it is available on the web site

Donors should not be given assurances that their gifts will be invested in a manner inconsistent with the general policies of NAUF. This is particularly true in cases in which the donor wishes to:

1. direct that specific investments be made; or
2. 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. (insert link)

Reinvestment Fee for Foundation Accounts

NAUF 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 NAUF Endowment Spending Policy found on the Governance Section.

Quasi-Endowment Funds

The Foundation Board of Directors may establish a quasi-endowment on a temporary or permanent basis. **The principal of a quasi-endowment fund must be held in the consolidated endowment for a minimum of one year, thereafter, the principal and any unexpended growth may be withdrawn in full or in increments upon six months notice by the account administrator.** Don't have many of these and don't enforce that I'm aware of.

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 NAU 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 NAU foundation cannot accept a contribution to establish a scholarship designated for a specific individual.

Unrestricted Funds

The Northern Arizona University Foundation, Inc. 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.