

CHAPTER 13

ADVANCEMENT

Sections:

- 13.010. Truman State University Foundation
- 13.020. Receipt of Gifts
- 13.030. Transfer of Gifts
- 13.040. Endowed Funds-Spending Policy

13.010. Truman State University Foundation. The Truman State University Foundation is a not for profit corporation, organized and existing under the laws of Missouri, which was created by the Board of Governors to provide additional financial support and assistance to the University. It has received recognition as a 501(c)(3) charitable organization under the rules of the Internal Revenue Service. The Truman State University Foundation is used as the legal trustee to hold in trust and administer the private funds donated to the University for restricted purposes.

Source: Established practice

13.020. Receipt of Gifts. The University welcomes gifts and contributions for support of its educational purposes. The President of the University is authorized to accept gifts for unrestricted purposes which are free of problems or improper qualifications. Gifts for restricted purposes also may be accepted for the University by the President, although in most cases it is preferred that such gifts be given to the Truman State University Foundation.

Source: Established practice

13.030. Transfer of Gifts. Bequests or other gifts to the University, which are limited to use for scholarships or other restricted purposes, shall be transferred to the Truman State University Foundation to be held in trust and administered in accordance with the instructions of the donors. Proceeds from checks payable to the University which arise from fund raising efforts of the Truman State University

Foundation, and for which there is no indication that such checks were specifically intended as gifts to the University rather than to the Foundation, also shall be transferred to the Truman State University Foundation for their intended purposes.

Source: Resolution of the Board dated March 7, 1992

13.040. Endowed Funds-Spending Policy. It is the intention of the Board of Governors to establish a spending policy pertaining to endowed funds in order to comply with provisions of Missouri law adopted in 2009 and known as the Uniform Prudent Management of Institutional Funds Act. This policy pertains to all endowed funds of the University to which the donor has not specifically stated their intent as to:

- (a) the amount of the endowment that should be maintained in perpetuity by the University;
- (b) the amount or rate to which funds may be spent from the endowment in any given period;
- (c) the manner in which the endowment funds should be invested; or
- (d) the treatment of appreciation or depreciation of the value of the invested endowment funds.

It shall be the policy of Truman State University that all endowed funds of the University, however held, shall be maintained at or above their Historic Dollar Value. For purposes of this policy, the term "Historic Dollar Value" means the aggregate fair value in dollars of:

- (a) An institutional endowment fund at the time it became an endowment fund;
- (b) Each subsequent donation to the fund at the time it is made; and
- (c) Each accumulation made pursuant to a direction in the applicable gift instrument or by the Board of Governors at the time the accumulation is added to the fund. Any determination of Historic Dollar Value made by the Board of Governors is conclusive. The Truman State University Foundation Board of Directors may make such determination for the Board of Governors while acting in its capacity as Trustee for the University.

If, at any time, an endowed fund's balance falls below its Historic Dollar Value, no further appropriation or expenditure of monies from that fund will be permitted unless and until the fund's value increases above its Historic Dollar Value. While any endowed fund is valued above its Historic Dollar Value, it shall be the policy of the University that such increase above the Historic Dollar Value may be appropriated and spent in accordance with University and Foundation spending policies.

In addition, such increase above its Historic Dollar Value may be subject to the imposition of an administrative fee to reimburse the University for operating expenses associated with the Truman State University Foundation and to provide unrestricted operating funds for said Foundation for fundraising and associated costs. This administrative fee is authorized at an annual rate not to exceed 1% of the market value of funds invested in the long term investment pool of the University, held in trust for the University by the Truman State University Foundation. The administrative fee, if imposed, is to be assessed twice a year: December 30 and June 30. Further, any appropriation and spending of endowed funds and endowed fund earnings or increase and any imposition of an administrative fee shall be subject to the intent and wishes of the donor as expressed in the applicable gift instrument.

This policy shall be a standing policy from year to year and shall govern appropriations from endowed funds on an ongoing and continual basis without need of further action by the Board of Governors. This policy represents the University's interpretation of how such endowment funds should be prudently managed, given the considerations and guidance as prescribed in the Uniform Prudent Management of Institutional Funds Act, as adopted by the State of Missouri. In exceptional circumstances, the Board of Governors will consider staff or Truman State University Foundation Board requests to waive this policy for specific funds and will in such an

exceptional circumstance base its decision on an analysis made in accordance with provisions of the Uniform Prudent Management of Institutional Funds Act before making a final determination.

Source: Resolution of the Board dated December 5, 2009 and February 4, 2012.