## **Quasi-Endowment Funds and the Investment of Funds**

* Unrestricted Quasi-Endowment Funds: The university may designate Unrestricted Fund balances in excess of $50,000 as Unrestricted Quasi-Endowment Funds and transfer them to an affiliated foundation for investment purposes. Should a situation occur in which these funds are required for general operating purposes, they may be redesignated as Unrestricted Funds by appropriate Board approval.
* Restricted Quasi-Endowment Funds: The university may designate expendable Restricted Fund balances in excess of $50,000 as Restricted Quasi-Endowment funds if they are not projected to be spent, or if they are not actually spent within the two fiscal years following receipt. These funds may be transferred to an affiliated foundation for

investment purposes for a period of not less than three years. When such a transfer occurs, the funds will be managed as a Restricted Quasi-Endowment Fund. The Board may, at any time, approve expenditure of these invested funds in accordance with specific donor restrictions.

* The university will establish a general-purpose, unnamed Restricted Quasi-Endowment Fund for each school or department. The minimum amount required to establish such a fund is $10,000. The purpose of this fund is to pool expendable Restricted Funds that are projected not to be spent for a minimum period of three years. Additional expendable Restricted funds received on behalf of the school or department may be deposited directly to this restricted quasi-endowment fund.
* Expendable Funds, both Restricted and Unrestricted, will be invested as part of the University’s Cash Management Investment Pool until expended or transferred to a Quasi-Endowment fund. Income will be classified as Unrestricted Funds.

* Endowment and Quasi-Endowment Funds, both Restricted and Unrestricted, may be transferred to an affiliated foundation for investment management purposes. All income in excess of that required for current operations will be reinvested.