



Unrestricted and Other Temporary Funds	
Responsible Official: President/CEO of ETSU Foundation	Responsible Office: University Advancement

Policy Purpose

To provide direction regarding the ETSU Foundation unrestricted operating and temporary restricted funds.

Policy Statement

The Foundation Executive Board is charged with the responsibility for managing Foundation assets. This body will conduct its duties solely in the interest of the ETSU Foundation and its beneficiary organization, East Tennessee State University.

The Executive Board authorizes the Chief Financial Officer (CFO) or her/his designee to perform cash management duties exercising due diligence in following policies and procedures.

Definitions

Restricted Contributions are funds restricted by donor requirements or intent. The Foundation and all applicable ETSU staff are responsible for ensuring expenditures are made in accordance with the restrictions or designated purposes of these funds, including but not limited to, endowments and restricted fund agreements (RFA’s). The majority of donations the ETSU Foundation receives are for restricted use.

Unrestricted Contributions are funds with no donor restrictions. This could include direct donations to “unrestricted,” “university top priorities,” or may include unrestricted investment earnings (consisting of interest and capital gains). These funds are applied to the area(s) of greatest needs as determined by the ETSU Foundation Board of Directors.

History

Effective Date: 5/9/2018
 Revision Date: N/A

Procedure(s)

The ETSU Foundation Executive Committee will agree on and present an annual budget for approval to the ETSU Foundation Board of Directors.

- I. Unrestricted Funds offer a high degree of flexibility, but require prudent judgment in determining the appropriateness of expenditures. The overriding goal should be to ensure disbursements are for legitimate business purposes of the university. Responsible parties should always consider how the public and/or a donor would perceive the transaction. The ETSU Foundation does not take a lead role in establishing funding priorities. Unrestricted funds may be used for the benefit of East Tennessee State University in the following ways:
 - a. To make funds available to the President of the University and to appropriate senior leaders to use at their discretion to meet extraordinary needs or targets of unusual opportunity or special benefit to the University.
 - b. To fund the costs associated with advancing the mission of the Foundation, communicating to donors, and ensuring accountability to all constituents.
 - c. To support specific campaign projects, stated priorities, and other fundraising objectives. The Foundation will only award this category of funding when a request for such funding is received and approved by the ETSU Foundation Executive Committee.

NOTE: The ETSU Foundation will maintain a positive fund balance at least equal to the current year's budget. Exercise care that projections for revenues beyond the next year appear to support the same level of operations. Allow the President/CEO of the Foundation, with approval by the Executive Committee, the flexibility to move funding from reserves to Fund Balance to maintain a positive fund balance.

- II. Process for Requesting/Approving Funds from the Foundation:
 - a. Proposals for funding should:
 - i. Demonstrate relationship to the ETSU Strategic Plan and/or campus priorities.
 - ii. Include a statement as to the intended impact of the activity.
 - iii. Be clear and concise.
 - iv. Be submitted to President/CEO by February 1 of each year.
 - v. Include statements of support and approval from the respective chairperson, dean, or director, and the appropriate vice president. At each level, the request for funding should be reviewed to determine if:
 1. It is a top priority.
 2. Funding is available from another source.
 - vi. Be submitted on the Funding Request Form (Attachment).
 - b. The President/CEO of the ETSU Foundation will review all proposals with the ETSU President. If approved, the ETSU President will recommend the proposal(s), to include priority to the ETSU Foundation for consideration.
 - c. Since the ETSU Foundation exists solely to support East Tennessee State University, we do not grant funds to outside organizations, including official ETSU Student Organizations. These groups may contact the Director of Development for Student Affairs or University Advancement for advice about fundraising opportunities.
 - d. Decisions regarding allocation requests are made at the May Foundation Board meeting.
 - e. The President/CEO of ETSU Foundation will provide notice of proposals receiving funding.

NOTE: In the case of unforeseen circumstances, funding may be requested outside the scheduled process. A written request from the University President may be submitted to the President/CEO of the Foundation. In compliance with the policy the President/CEO will submit to the Executive Committee and then to the Foundation Board for review.

Attachment – Funding Request Form (must be submitted no later than February 1)



FOUNDATION
EAST TENNESSEE STATE UNIVERSITY

Request for Funding from the ETSU Foundation

Name of Request _____ Date _____

Department Making the Request _____ College _____

Phone Number / E-mail _____ Building/Box _____

Description/Purpose of Request (attach a document if more space is required).

Impact If Funded – be specific (attach a document if more space is required).

Yes No *This request aligns with the ETSU Strategic Plan or other University priority.*

Specifically, this request applies to item _____ of the Strategic Framework portion of the ETSU Strategic Plan or describe, if other.

Approval Routing (signatures indicate approval is recommended, unless otherwise noted)

Requester – Name and Signature _____ Funds are not available from another source to meet this need _____ Date _____

Department Head/Chair (if not the requester) – Name and Signature _____ Funds are not available from another source to meet this need _____ Date _____

Dean/Vice President – Name and Signature _____ Funds are not available from another source to meet this need _____ Date _____

Provost (if applicable) – Name and Signature _____ Funds are not available from another source to meet this need _____ Date _____

Foundation President/CEO – Name and Signature _____ Date _____

University President – Name and Signature _____ Recommended. Priority _____ of _____ Date _____

Executive Committee, ETSU Foundation – Name and Signature _____ Date _____
Funded/Not Funded