

UNIVERSITY OF NEW ORLEANS FOUNDATION

GIVING AND SPENDING POLICIES

The University of New Orleans Foundation will accept on behalf of the University donations for educational, scientific and charitable purposes made for the advancement of the University of New Orleans. All contributions, both restricted and unrestricted funds, are the property of the UNO Foundation.

1. Endowments

The following endowments have been established and must meet the stated minimums:

College	\$6,000,000
School	\$3,000,000
Center of Excellence	\$1,500,000
Super Chair	\$1,200,000 (plus \$800,000 state match)
Chair	\$600,000 (plus \$400,000 state match)
Professorship	\$60,000 (plus \$40,000 state match)
Scholarship	\$25,000
Prize	\$10,000

NAMING OPPORTUNITIES

Building	\$1,000,000
Departmental suite	\$250,000
Wing	\$500,000
Lecture hall	\$100,000
Laboratory	\$100,000
Program	\$100,000
Office	\$10,000

Classroom \$5000

2. Establishment of Accounts

- a. The minimum amount necessary to establish an endowment account is \$10,000.
(or a pledge for \$10,000 payable with in 5 years)
- b. The minimum amount necessary to establish a separate restricted account is \$2,500.
- c. If an existing account has less than \$500 and there has been no activity for one year or more, the account will be consolidated with other department accounts.

3. Foundation Fees

The Foundation will assess the following fees:

- a. A management fee of 1 % per year on the principle of endowment accounts.
- b. A management fee on restricted accounts for contracts, corporate grants and other misc. revenue (not including contributions or fund raising events) in accordance with the following schedule:

Amount	Percentage fee
From \$0 to \$25,000	5%
From \$25,001 to \$100,000	3%
From \$100,001 to \$500,000	2%
Over \$500,000	1%

Example:

- 1. Seminar revenue that brings in \$60,000 a year:

$$\begin{array}{rclcl} \text{First } \$25,000 @ 5\% & = & \$1,250 & & \\ \text{Next } \$35,000 @ 3\% & = & 1,050 & \text{Total Fee for the year} & = \$2,300 \end{array}$$

- 2. Contract or grant for \$500,000 covers a 2 yr. period

$$\begin{array}{rclcl} \text{First } \$25,000 @ 5\% & = & \$1,250 & & \\ \text{Next } \$75,000 @ 3\% & = & 2,250 & & \end{array}$$

Next \$400,000 @ 2% = 8,000 Total Fee for the 2 yrs = \$11,500

Amounts for misc. revenue will be calculated annually per account.

4. Revenue on Funds

- a. Earnings from the investment of endowment funds, except for Foundation fees, are deposited in a restricted account for access by the account manager.
- b. Earnings from the investment of restricted funds become unrestricted funds of the Foundation.
- c. Earnings on endowment accounts which have not yet reached the size necessary for state matching or other stated goal shall become unrestricted funds of the Foundation.

7. Donations

- a. Donations which would endanger the 501(c)(3) status of the Foundation will be declined.
- b. Noncash gifts of moveable or immovable property can be accepted when the gift is (1) desired by a department; (2) can be easily liquidated and the cash invested; (3) provides investment income; or (4) otherwise furthers a goal of the university or the Foundation.
- c. Donations of moveable property to be used by the university will be donated to the university on a quarterly basis, unless a reason to allow it to remain property of the Foundation is established.

8. Spending Policy

- a. Account managers may spend up to 5 % of the principle of the accounts each year starting after the first year of receipt of the completed endowment. The earnings in excess of 5 percent (except for the management fee) shall become part of the principle of the endowment. The investment committee, in consultation with the Chancellor, may make exceptions to the policy, when in its judgment, such exception is in the best interest of the Foundation and the University.
- b. For fiscal year spending, the principal is established at market value as of the preceding December 31st. The Foundation's accounting office will send to each endowment account administrator a budget for the fiscal year starting July 1, no later than March 31. Endowments that have reached their minimum goal and had at least

one year of program expenses will have until the 2002-03 FY to comply with the new policy.

- 9. All policies are effective immediately except the spending policy that is effective no later than July 1, 2002 for currently active endowments. Account minimums will *not* be retroactive.**