University of Rhode Island Foundation
Fund Policies and Procedures

Updated and Effective as of November 1, 2013
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This version of the University of Rhode Island Foundation Policies and Procedures is effective as of November 1, 2013 and replaces any previous version.

I. FOUNDATION OVERVIEW

The University of Rhode Island Foundation (“URIF”) was established in 1957 to encourage private support for the University of Rhode Island (“URI”). The Foundation is an independent, 501 C (3) corporation which raises and manages all private charitable support for the University. The Foundation is a legally separate entity from the University of Rhode Island, the University of Rhode Island Alumni Association and other University affiliates. However, the Foundation works closely with these organizations in addition to the community for the benefit of the University.

Mission
The Foundation’s mission is to “lead URI’s fundraising and development initiatives, generate support from private sources that meet the strategic and operating needs of URI and manage the Foundation’s assets”. The Foundation, along with the campus community, has a responsibility to ensure Foundation funds are used in a manner that is beneficial to the University while maintaining donor’s wishes.

Donors
Donors provide funding to the University, in some cases at some personal sacrifice, to make URI a great place. It is our fiduciary duty to comply with the donor’s intent.

Purpose
The following policy regarding URIF funds will ensure that funds comply with donor specifications and that persons with signature authority for expenditures follow the rules and restrictions set forth. URIF attempts to follow state rules and guidelines with some exceptions and leeway. This policy will work to outline those exceptions.

Responsible Parties
There are four parties involved for fund activity through the URIF. First, the individual requesting expenses, second the department/college approvers, third URIF for final approval, and fourth the URI Controller’s Office for payment. Detailed below are the roles of the individuals who bear fund responsibilities:

**Individual requesting payment**

- Ensures expenditures being purchased with URIF funds are accurate and adhere to the donor intent and URIF policies and procedures.
- Understands that submission lacking in documentation or explanation is subject to further questioning and may result in denial of reimbursement.
- Attests that expenses submitted for reimbursement have not been previously paid or paid by an outside agency or third party.
- Submits expenditures timely.
The Internal Revenue Service (IRS) requires that expense documentation provide a clear explanation of the business purpose.

**Fund Signatories and Administrators**

- Have a complete understanding of purposes/donor’s intent for funds in which they are responsible for.
- Ensures transactions are business related, appropriate and follow the fund purpose.
- Documentation is submitted for each request and is sufficient; if not, request further documentation/explanation.
- Frequent review and monitoring of funds.
- Discrepancies are reported timely to the URIF Finance Department.
- Keeping signatures up to date and on file with the URIF and URI Budget Office.

**The Foundation**

- Ensuring expenses are in accordance with the fund purpose.
- Financial reporting of funds to campus staff.
- General maintenance of funds held at the Foundation.
- Ensuring proper documentation, signatures and a sufficient balance is available to cover request.
- Timely forwarding of signed requests to the proper office on campus, depending on nature of request.

**The URI Controller’s Office**

- Ensures proper documentation is provided and supports expense requests.
- Question URIF on expenses they may deem inappropriate.
- Responsible for payment of expenditures on URIF funds.

URIF manages separate funds based on purpose (restricted by donors, colleges or departments); however, funds with a similar purpose may be combined for funding and reporting purposes.

Funds housed within the URIF are managed by the URIF Business Manager, who serves as the main contact for questions, reports, approvals, etc. The URIF Assistant Controller and URIF Director of Finance serve as approvals in the URIF Business Manager’s absence.
II. OPERATING FUNDS

Operating funds may receive gifts and other income that is available for immediate use. Funds can be expensed according to the established purpose of the fund and in accordance with the policies set forth in the manual.

The donor’s intent provides the most important criteria for determining a fund’s purpose. New gifts can often be placed in an existing fund while still fulfilling the intent set forth. Fund purposes must be related to URI; a request for a fund that is not related to or for benefit of URI will not be allowed.

Non-endowed funding commitments can, in certain circumstances, qualify for a naming opportunity. In such cases, it is critical that funding streams be committed to, in writing, for a period of no less than five years and that the annual funding amount be equivalent to the approximate payout of the corresponding established endowment minimum. It is also necessary that the donor, URIF and URI establish, in writing, that the naming is to last no longer than one year after the end of the fiscal year in which the last payment was received.

Types of Operating Funds

- **Non-Endowed Professorship**: To establish a term professorship without any provision for endowment requires a minimum gift commitment of $250,000, payable at a minimum rate of $50,000 a year for not less than five years.

- **Non-Endowed Lectureship**: To establish a term lectureship without any provision for endowment requires a minimum gift commitment of $75,000, payable at the rate of $15,000 a year for a period of not less than five years.

- **Non-Endowed Scholarship**: To establish a term scholarship without any provision for endowment requires a minimum gift commitment of $25,000, payable at the rate of $5,000 a year for a period of not less than five years.

- **Non-Endowed Research or Program Fund**: To establish a research or other programmatic fund without any provision for endowment requires a minimum gift commitment of $25,000, payable at the rate of $5,000 a year for a period of not less than five years.

- **Other Non-Endowed Fund**: To establish any other type of non-endowed fund without any provision for endowment requires a minimum gift commitment of $25,000, payable at the rate of $5,000 a year for a period of not less than five years.

*Note: Gifts, particularly those in honor or memory of an individual, not meeting these minimum funding levels will not be declined; however, instead of creating new funds, these gifts will be allocated to general scholarship or other existing funds associated with colleges or programs on campus based on donor intent.*
III FUND MAINTENANCE

Creating/Opening a New Fund
In order to establish an operating fund with URIF, a “URI Foundation New Fund Form” must be completed. This form should contain a detailed description of the fund and the responsible parties within the department. This form must be completed in full, with approval signature from the appropriate Dean or Vice President.

Funds are reviewed by URIF for their potential benefit to URI. Departments should expect to be notified within a week as to whether or not the fund has been approved. If approved, the URIF Business Manager will work with the department to move forward in creating the new fund which will include the completion of the Signature Authorization Form.

Once approved, the new fund will be assigned a specific number by URIF Business Manager. The fund/program number will consist of 4 digits and vary depending on the type of fund. This number will be communicated to the fund requestor and should be used when inquiring about a fund or requesting a fund report. The fund/program number will complete the funds unique Chartfield String.

A Chartfield string is unique to each fund held at URIF and is shown below:

- **401-XXXX-XXXX**
  - “401” identifies the fund is held within URIF.
  - The middle “XXXX” refer to the department number, assigned by URI.
  - The last four “XXXX” refer to the fund/program number which is assigned by the URIF.

As noted, once a fund has been approved a URIF Signature Authorization Form must be completed. Outlined below are the four levels found on the signature authorization form and their responsibilities:

- **Requestor/Fund Contact** – serves as a contact for the fund. (Also referred to as “Responsible Person”)
- **Level 1/Approvers** – in most cases, faculty or staff. This pertains to whom the fund belongs to and who can sign to request expenses. In cases where Deans are the “Level 1”, expenses are approved by the Vice Provost (“Level 2”) when expenses exceed $300. This rule applies when the expense is a reimbursement to the Dean, regardless of amount.
- **Level 2/Approvers** – final approval stage before forwarding to the URIF. “Level 2” Approver in most cases will be Dean/Department Chair.
- **Level 3/Approvers** – Foundation approval level and acts as the final approver before delivery to URI Accounting.

URIF requires both the “Level 1” and “Level 2” signatures before URIF approves the expenditure. In addition, fund requestors/contacts and signatories must be URI employees with
an identification number. URIF will not approve expenses where the “Payee” approves as a level 2.

It is the responsibility of the requestor/fund contact to update signature authorization forms as needed. If a staff member is being added or taken off a fund, a new signature authorization form must be submitted to reflect this change. Once signature authorization forms are completed they should be forwarded to the URIF for approval. Once approved, URIF will forward to the Budget Office for updating in the URI PeopleSoft System.

**Monthly Reports**

URIF downloads expenditures from URI PeopleSoft monthly; not including encumbrances. Departments should utilize PeopleSoft to check on payments the URI Accounting Department has paid or to see what the URI Purchasing Department has encumbered.

With this information URIF sends departmental operating reports monthly. Reports reflect current fiscal year data, which begins July 1 and ends June 30. “Spendable balances” within the endowment accounts (funds starting with E or T) are included. This will not reflect the overall endowment, this will only reflect your spendable balances and expenses incurred. To add/remove staff from your departmental reporting, please contact URIF Business Manager. Endowment principal and market value reports are sent quarterly.

If a fund has been inactive, with an immaterial balance for a period of two years, URIF will contact the Requestor/Fund Contact to determine an appropriate fund within the department/college to transfer the balance to. URIF does not allow deficit spending. If a fund runs into a deficit, the appropriate department should make arrangements to transfer funds or make a deposit to cover the deficit. Departments are responsible for tracking available balances to ensure overspending does not occur.

**Fund Assessments**

URIF’s Executive board is responsible for establishing fees to help support operations. The process for establishing these fees includes the concurrence of URI and is set forth in the acting MOU between URIF and URI.

The assessment is 5% of income received and is deducted from monthly gross revenue.

**IV. REVENUE**

Donations and other income received by URIF are processed by URIF Gift Processor; inquiries regarding depositing and revenue transactions can be directed to this staff member by calling 874-4786.

**Accepted Sources of Revenue**

The following is a list of acceptable revenue sources:

- Donations from private sources (funds, services or goods).
- Level 1 or 2 research grants from private sources (Refer to [http://www.uri.edu/facsen/CGG.pdf](http://www.uri.edu/facsen/CGG.pdf) for determining).
Please contact the URIF’s Corporate and Foundation/Business Engagement Center team prior to application submission as they are a team of experienced individuals with expertise in grant proposals. http://web.uri.edu/bec/

- Reimbursements/refunds for items paid with URIF funds.
- URI functions/events, contain both a ticket and gift portion:
  - Event revenue – a deposit where checks contain both a gift and ticket portion. Departments must indicate what amount of each check is gift “g” or ticket “t”.
    - Ex: Joe Smith writes a check for a golf tournament that costs $150 per ticket, the cost of golf is $100 and $50 of the ticket price will be counted as a donation. Therefore his check should be indicated as follows: T=$100, G=$50.
  - Auction revenue – departments are responsible for indicating to URIF the value of items and whether or not a bidder exceeded the value; wherein, the donor is entitled to gift credit.
    - Ex: Jane Lane bids $500 on a piece of artwork valued at $250 and wins the item. Jane is therefore entitled to receive gift credit for a $250 donation.
  - Sponsorships – where goods and services are not exchanged and/or are immaterial.

Non-Accepted Sources of Revenue
URIF cannot accept the following:

- Funding from federal, state and local government agencies.
- Retirement party income.
- Research contracts and sponsored projects, with exception of level 1 and 2 grants (Contact the URI Research Office/Office of Sponsored Projects).
- Conference registration fees (Contact URI Conferences and Special Program Development Office).
- Royalty payments generated by URI owned property (Contact URI Research Foundation).
- Contracts and grants in exchange for specified benefits to the resource provider.
- Funds of a personal nature or an outside business activity not specifically generated for the benefit of URI.
- Payments for services rendered.
- Contact URI Controller’s Office for deposits related to:
  - Governmental funds (federal, state or local).
  - Course or lab fees (or other fees related to a URI program).
  - Reimbursements for items paid for with URI funds.
  - URI Student Organizations (honor societies, deposits including dues/fees, etc.).
  - Sale of URI Property.

Ways to Give

- **Cash or Check** is the most common way to make a donation. To ensure a donation is used as intended, a note should be included stating the designation preference, by
indicating fund number or name. Donors should make checks payable to “URI Foundation” and mail to URI Foundation, PO Box 1700, Kingston, RI 02881.
  o Departments that receive cash/checks directly should complete a URIF deposit slip and deliver funds as they are received. Deposits should be hand delivered to URIF. Cash/checks should not be sent through campus mail or left in an inbox. URIF cannot accept coins.
• Credit Card Donations can be made online or by phone. Simple instructions for both methods are listed below:
  o Online – URIF’s website has an online credit card donation option listed at: www.urifoundation.org/waystogive/giveonline.
  o By Phone – A donor can call URIF to make their donation by contacting URIF’s Gift Processor at (401) 874-4786. When a Department collects credit card information, a credit card payment form should be completed.
  o Credit card payments may be assessed a credit card fee of 3.5%.
• Payroll Deduction donations can be made by completing a URI Payroll Deduction Form. Forms are forwarded to URI Payroll Office and a copy is sent to URIF.
• Transfer of Securities requires a donor to complete and follow instructions outlined on a Transfer of Securities form. The form includes instructions on how to contact URIF’s broker at Merrill Lynch who will work with the donor’s financial institution to perform the trade, sell the stock and transfer the cash to URIF.
• Gifts in Kind is a donation in which a donor gives a good or service versus providing the funds needed to buy a good or service. Departments should send gift in kind information to URIF to post as a gift. Refer to URI Controller’s website for further information regarding gifts in kind. www.uri.edu/controller/policies/

IV. EXPENDITURES

Expenditure Flexibility
URIF allows greater flexibility than state funds; however, it is important to keep state policies and procedures in mind when spending funds, as these funds come from donors who contribute in hopes to enhance and benefit URI. URIF upholds a responsibility to ensure expenditures match the donor’s intent.

URIF allows exceptions when the purpose of the purchase meets the customary and reasonable standard for expenditures while conducting University or Foundation business. Examples of these exceptions to state rules may include, but are not limited to:

• Purchases of alcohol for events or dinners with guests.
• Department related meals and entertainment.
• Upgrades pertaining to train, air, hotel.
• Spouse coverage when necessary.
• Purchases related to state bidding.
• New hire moving costs.
Payment Requests Requirements
The following are forms which can be used for payment requests:

- URIF Request for Payment
- URI Invoice Voucher
- URI Limited Value Purchase Order (LVPO)
- URI Travel Advance Request (TAR)
  - To be completed prior to making travel arrangements
- URI Travel Expense Voucher (TEV)
  - To be completed after travel
- URI SGA2 Form – for student scholarships/awards
- URI Payroll Forms
  - Internal Payroll 1 (IP1)
  - In House Payroll Adjustment Form (IP2)
  - Additional Pay Form (APF-3)
  - Hire and Change Form (USP2)

Expenses submitted should be supported by (if applicable):

- Documentation:
  - Detailed receipt
  - Invoice
  - Proof of payment (cancelled check, receipt or credit card statement)
- Detailed Description:
  - List of attendees at meetings/meals
  - Relation of purchase to fund purpose
  - Detail of items purchased
- Signatures:
  - Level 1 approval
  - Level 2 approval

Completed documents are forwarded to URIF for approval and delivered to URI Accounting Department by end of day. URI Accounting Department is responsible for payment.

Note: When preparing an online requisition please ensure the “Level 1” approval signs into the system to approve before the “Level 2”, otherwise the “Level 2” will override the “Level 1” approval, thus leading to the denial of the requisition. If a requisition is denied, the Foundation will notate an explanation as to why.

Transfers Between Foundation Funds
Transfers between URIF funds may be completed by preparing a URIF Internal Transfer Request Form or a Memorandum if there are multiple transfers. An explanation for the transfer is required in addition to both level signatures.

Generally, URIF does not allow transfers from endowments to operating accounts.
Annual Scholarship Awarding Process

URIF’s process and timeline for the awarding of scholarships is detailed below:

- Colleges and departments will receive an email with the endowment distribution information for the upcoming fiscal year by mid-March to begin planning.
- In June, colleges and departments will receive an email with a list (PDF) of endowed scholarships, along with an excel spreadsheet with endowed and operating scholarships. There will be room in the excel document for colleges and departments to suggest recipients. If assistance is needed in making selections or determining if a student has financial need, please do not hesitate to contact URI Enrollment Services.
- By August 1st, the final excel file (with all recipient selections) should be sent to URI Enrollment Services esawards@etal.uri.edu.
- Posting of scholarships to student term bills will be completed by October 1.
- In November, URIF will communicate to donors of named scholarships, the recipient(s) selected, and additional information on the students.

A listing of URIF scholarships can be found on the URI Enrollment Services website www.uri.edu/catalog/, along with a general scholarship form found at www.uri.edu/es/students/finance/grants.

V. ENDOWMENT MANAGEMENT

Endowment Overview

An endowment is established with a gift from the private sector, which comprises the corpus or principal of the endowment and is accompanied by a Memo of Understanding (MOU) between the donor, URI and URIF. The principal is invested, and the income and/or the capital gain is used to fund the income distribution for the purpose of the endowment, based on URIF’s Board approved spending policy.

It is the specific and strong preference of URIF that all endowment gifts are eligible for commingling for investment purposes with other endowment funds. Commingling permits enhancement of long-term investment programs, affords appropriate risk control through diversification, and provides for optimization of asset mix through time. No endowment shall be accepted in which the donor directs the investment transactions, holdings, or may approve investment policy or strategy. The General Endowment Fund (“GEF”) shall be under the sole control of the URIF Executive Board.

Types of Endowments

Endowments are divided into the following three categories:

- **Permanent Endowments** are sometimes referred to as "true”, "pure", or perpetual endowments and are assets designated by the donor to be held in perpetuity. The corpus of these endowments may never be spent. Earnings and capital gains will be expended in accordance with the terms and conditions established by the donor. However, it must be recognized that the corpus may decline during unfavorable market conditions.
**Temporarily Restricted Endowments** (also referred to as Temp or Temporary endowments) are established when the donor specifies that the endowment shall terminate following a particular date or event and that the corpus of the endowment may be expended in accordance with the terms and conditions specified by the donor. Until the passage of the specific date or event, term endowments operate in a manner similar to permanent endowments with expenditures made in accordance with the conditions established by the donor.

**Quasi Endowments** referred to as “Board Endowments”, URIF Executive Board may set aside certain funds to be maintained as endowments and will specify the use of the assets and spendable income, and set other terms and conditions relating to the fund. The Executive Board may change the terms and conditions of the endowment or terminate the endowment.

**Endowment Funding Minimums by Type**

The dollar amounts listed below represent the University-wide minimum funds needed for various-sized programs. Depending on specific program needs and the donor’s objectives, higher amounts may be necessary to achieve the desired outcome. A Dean or Director may establish higher minimums for their departments, if necessary, with the approval of URIF President.

The URIF President will authorize all endowed naming opportunities via an MOU signed by the appropriate URI representatives.

**Endowed Leadership Position:**
- $5 million minimum gift, or more, depending upon the size and scale of the department, is necessary.
- To provide discretionary funds to support the strategic vision of the academic or nonacademic unit, as determined by the Dean, Director, or URIF President.
- May include positions such as the University President or Provost.
- In such cases, the position, not the specific person, is supported by the endowment.

**Endowed Director or Department Chairperson Position:**
- $2 million minimum gift, or more, depending upon the size and scale of the unit, is necessary.
- To provide discretionary funds to support the strategic vision of the unit, as determined by the Unit Director or Department Chairperson.
- In such cases, the position, not the specific person, is supported by the endowment.

**Endowed Faculty Chair:**
- $1 million minimum gift is necessary.
- To recruit, retain, and reward superior faculty members.
- To enhance the faculty member’s scholarly efforts and/or research program.
- In such cases, the position and/or specific discipline, not the specific person, is supported by the endowment.
Endowed Faculty Professorship:
- $500,000 minimum gift is necessary.
- To recruit, retain, and reward outstanding faculty members.
- To enhance the faculty member’s scholarly efforts and/or research program.
- In such cases, the position and/or specific discipline, not the specific person, is supported by the endowment.

Endowed Visiting Professorship:
- $250,000 minimum gift is necessary.
- To support outstanding, visiting faculty members.
- Intended to rotate to new visiting faculty on a pre-determined time frame.
- To enhance the faculty member’s scholarly efforts and/or research program.
- In such cases, the position and/or specific discipline, not the specific person, is supported by the endowment.

Endowed Faculty Fellowship:
- $100,000 minimum gift is necessary.
- For any rank of faculty member.
- For research and teaching efforts, and for visiting scholars while in residence.
- In such cases, the position and/or specific discipline, not the specific person, is supported by the endowment.

Endowed Symposium:
- $500,000 minimum gift is necessary.
- To be used to cover all or most of the expenses associated with planning and implementing conferences/symposia in specific areas and/or on specific topics.
- The endowed fund and the conference/symposium may carry the name of the donor, or someone of his/her choosing, in recognition of the gift.

Endowed Lectureship:
- $200,000 minimum gift is necessary.
- To be used to cover all or most of the expenses associated with planning and implementing lectures in specific areas and/or on specific topics.
- The endowed fund and the lecture or lecture series may carry the name of the donor, or someone of his/her choosing, in recognition of the gift.
- May be used for administrative costs, publications, advertising, travel, lodging, and honoraria.

Endowed Graduate Fellowships:
- $300,000 minimum gift is necessary.
- To support a student working toward an advanced degree in any of the graduate fields.
- Academic merit and/or financial need may be a consideration.
- The donor may suggest other preferential criteria.

Endowed Scholarships:
- $25,000 minimum gift is necessary.
• Minimum funding for full tuition scholarships should be calculated based on current tuition and fee and payout figures.
• To support an undergraduate or graduate student.
• Academic merit and/or financial need may be a consideration.
• The donor may suggest other preferential criteria.

**Endowed Book or Technology Fund:**
• $25,000 minimum gift is necessary.
• To purchase books, technology, or other materials in a specified field.
• May also be used for preservation of books.
• May also be used for repair, cataloging, and other expenses of the library.

**Program Support Endowment:**
• $25,000 minimum gift is necessary.
• To support specific or general programs of URI or of a particular unit or department.
• May support areas such as faculty, staff, students, operations, research, etc.
• May be at the discretion of a Dean, Director, Unit Director, or Department Chairperson.

**Endowed Laboratory:**
• Minimum gift to be negotiated, depending on the discipline and size and scope of the program.
• To be used for equipment, research, and general laboratory support.

**Endowment Spending Policy**
URIF is committed to administering and investing Endowed Funds in compliance with all relevant Foundation by-laws, organizational concerns, industry standards, federal and state laws and regulations; including without limitation, the Rhode Island Uniform Prudent Management of Institutional Funds Act (UPMIFA the “Act”) adopted into law as of June 30, 2009.

UPMIFA states that no more than 7% of the fair market value of an endowment be paid out in a given year (calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately preceding the year in which the appropriation for the expenditure is made). In addition, UPMIFA requires an endowment’s board to use prudence in determining spending policy and annual spending amounts. This includes, but is not limited to, consideration of the seven factors identified in the act:
   o The duration and preservation of the Endowment Fund
   o The purposes of the Foundation and the Endowment Fund
   o General economic conditions
   o The possible effect of inflation or deflation
   o The expected total return from income and the appreciation of investments
   o Other resources of the Foundation; and
   o The investment policy of the Foundation

URIF shall document its consideration of the above factors in its review. URIF has a duty under the Act to maintain the long term purchasing power of each Endowed Fund and in accordance with that duty will record the historic gift value (“HGV”) of each Endowed Fund as a benchmark.
by which to measure each fund’s performance. URIF shall also institute such procedures as are reasonably calculated to identify any individual Endowed Fund, the long term purchasing power of which has the potential to be significantly impaired by continued application of this Policy, and present a strategy for remedying such impairment to the URIF Executive Board.

URIF may decide to spend from Endowment Funds, even to the extent of expending a portion of the fund which constitutes HGV, in accordance to its expenditure policies; provided, such spending is part of a purposeful, prudent and documented strategy to maintain the long-term purchasing power of such funds.

URIF will, in good faith, make information available to donors and potential donors concerning its expenditure policies.

The current spending rate is 4.5%. This rate contains both the distribution to URI and URIF’s management fee.

**Unitization of Endowments**

The commingled endowment funds shall be unitized and each new endowment gift added to the GEF shall receive units in the GEF based on the market value of the gift and the unit value of the GEF for the preceding quarter. The unit value of the GEF shall be determined at least quarterly. Income determined under the spending policy will be calculated on a unit basis for distribution purposes.

The actual mechanics of endowment investment and management are very similar to that of a mutual fund. Endowments are accounted for using a unitized investment pool. Each individual endowment owns units in the pool, revalued at quarter-end. Units are calculated using the quarter-end market value of all GEF investments, less quarterly distributions and fees not yet liquidated from the GEF, divided by the total units in the pool as of quarter-end.

The following schedule will apply for the unit value calculation:

<table>
<thead>
<tr>
<th>Quarter Ended</th>
<th>Unit Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31</td>
<td>February, March, April</td>
</tr>
<tr>
<td>March 31</td>
<td>May, June, July</td>
</tr>
<tr>
<td>June 30</td>
<td>August, September, October</td>
</tr>
<tr>
<td>September 30</td>
<td>November, December, January</td>
</tr>
</tbody>
</table>

*For example, the GEF has a market value at June 30, of $100,000,000, and has 4,000,000 units in the pool. The market value is therefore $25 per unit. Assume an endowment in the GEF has 1,000 units the market value of the Jones Endowment would be $25,000 for August, September and October. If the endowment received a gift of $10,000 during the month of October, the Smith Endowment would buy units in the pool based on June quarter-end unit value and obtain 400 units.*
**Yearly Spending Allocation Calculation**
The amount of funds allocated for expenditure for the purposes for which an Endowed Fund was established (“Spending Allocation”) will equal a percentage (approved by the board each year) of the rolling prior 12-quarter average Unitized Market Value of the long term pooled investment portfolio multiplied by the number of units held by each Endowed Fund on the Calculation Date (December 31). The Spending Allocation will be transferred to the Endowed Fund spending account at the start of the fiscal year, July 1. Newly created endowments must be fully funded six months prior to payout.

**VI. STEWARDSHIP AND DONOR RELATIONS**

URIF’s Donor Relations works to cultivate and nurture meaningful relationships between URI, URIF and donors, helping to influence participation, retention and gift size.

**Stewardship Reports**
URIF provides stewards/donors of individual endowed funds Endowment Reports with the market value of the fund and the disbursement amount awarded for the upcoming fiscal year.

After the awarding process is complete, URIF sends individual endowment holders letters which identify student recipients and include student “thank you” letters, if available.

URI faculty and staff should encourage student recipients to work with URIF Donor Relations when preparing a “thank you” letter. URIF can provide assistance to student recipients and ensure the letter is forwarded to the appropriate donor.

**Receipts and Disclosures**
URIF sends a tax receipt for donations received, within one week of recording the donation, which serves as documentation for tax preparation. URIF and donors are subject to certain disclosure and reporting requirements imposed under the Internal Revenue Code and the underlying Regulations. The following receipting guidelines, with respect to donations received, are in place to comply with those rules:

- The amount of cash received and/or a description (but not an assessment of the value) of any noncash property received.
- A statement of whether URIF provided any goods or services to the donor in consideration, in whole or in part, for any of the cash or property received from the donor.

It is the policy of URIF to comply with all current federal and state rules regarding solicitation and collection of charitable donations, whether specifically addressed in this manual or not, as well as all future revisions to these rules.