Creating New True Endowment Projects

Finance Area:
Vice President for Finance

Responsible or Contact Office/Role:
Financial Reporting & Operations (Investment Accounting)

Purpose:
This procedure applies to University units receiving gift funds restricted by the donor as endowment.

Quasi Endowments are not covered by this procedure.

Definitions:
Endowment Gifts: Generally, restricted funds intended to support indefinitely a specific on-going purpose desired by a donor, such as a University program or a chair. The principal is normally not expendable on a current basis under the terms of the gift. The corpus or principal is instead invested for the long-run with generated income dedicated to supporting the stated purpose(s) of the endowment indefinitely.

University Units: Schools and departments within the University, typically represented by a five digit numeric code (i.e., organization code) in the University’s Integrated System.

Documentation:
View the Gift & Endowment ImageNow User Reference Guide for instructions on gaining access to the document repository which houses information related to Unit’s gift and endowment accounts.

Refer to the University’s Policy IRM-017: Records Management for additional information related to maintaining proper documentation.

Procedures:
A new True Endowment project is created when a donor restricts their gift for endowment purposes.

1. Within 24 hours of receipt of endowment funds, the University Unit forwards the funds, along with any donor correspondence and Request for Establishment of True Endowment Project Form to UVA Advancement (Gift Accounting).

   Note: Ideally, the signed endowment agreement should be forwarded to Gift Accounting at the same time. Gift Accounting will deposit the funds in a University suspense project pending receipt of a signed endowment agreement, if applicable, and creation of project and award by Financial Reporting & Operations (Investment Accounting).

2. After funds are received, Gift Accounting forwards the donor correspondence, signed endowment agreement and Request for Request for Establishment of True Endowment Project Form.

   Note: Funds will not carry a return for the endowment until such time as the funding has been moved from the University suspense project.
3. Investment Accounting creates a new project, prepares the [Project Create Attachment Form](#), and paper clips the Project Create Attachment Form to the project in the Integrated System.

4. Investment Accounting creates the associated award, kicking off the Integrated System workflow process.

5. Workflow forwards the project and award combination to the Award Manager and Investment Accounting for final approval.

6. Investment Accounting notifies Gift Accounting, the unit administrators, and the award manager of the approved project and award via email.

7. Investment Accounting uploads all documentation into the Gift & Endowment ImageNow system.

8. Gift Accounting transfers the gift receipts to the True Endowment project in the General Ledger (GL).

**Resources:**

- [FIN-015: Endowment and Capital Gift Agreements](#)
- [Request for Establishment of True Endowment Project Form](#)

**Revision History:**

May 2018