

POLICY 2.25 – Internal Endowments

Policy Category:	Financial
Subject:	Internal Endowments
Approving Authority:	Board of Governors
Responsible Officer:	Vice-President (Operations & Finance)
Responsible Office:	Financial Services
Related Procedures:	Procedures for Endowing Internal Funds
Related University Policies:	2.11 - Investment Payout Policy 2.22 - Funding of Academic Chairs, Professorships and Designated Faculty Fellowships
Effective Date:	June 27, 2024
Supersedes:	January 23, 1997

I. PURPOSE

The purpose of this policy is to define:

- the allowable scenarios for endowing internal University funds
- the responsibilities and accountabilities associated with endowing internal University funds
- the responsibilities and accountabilities associated with revising the purpose and/or provisions of existing internally endowed funds

II. DEFINITIONS

“Internal Endowment” means an internally restricted endowment composed of funds that the University has set aside to generate income for a specific purpose.

III. POLICY

- 1.00 Unless otherwise approved by the Board of Governors, a request to create an Internal Endowment requires the approval of the Vice-President (Operations & Finance) and the Provost & Vice-President (Academic) after receiving the necessary preapprovals as determined by Financial Services. Decisions of the Vice-President (Operations & Finance) and Provost & Vice-President (Academic) are final and not subject to appeal.
- 2.00 An Internal Endowment requires a minimum of \$500,000 to be established.
- 3.00 Each Internal Endowment will be subject to the University’s Manual of Policies and Procedures.

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- 4.00 Funds to establish or contribute to an Internal Endowment must not be from the basic operating budget, unless otherwise approved by the Board of Governors.
- 5.00 Funds to establish or contribute to an Internal Endowment must be free from external restrictions.
- 6.00 Funds used to capitalize an Internal Endowment are held, in perpetuity.
- 7.00 The purpose for spending from an Internal Endowment is agreed to at inception.
- 8.00 A change to the purpose and/or provisions of an Internal Endowment requires the approval of the Vice-President (Operations & Finance) and Provost & Vice-President (Academic). Only in exceptional circumstances, such as University financial hardship, may an Internal Endowment be un-endowed, which shall be treated as a change to purpose and/or provisions.
- 9.00 A request to add funds to an existing Internal Endowment requires the approval of the Associate Vice-President (Financial Services) or designate.