



Policy: Restricted Gifts

Adopted: September 15, 2022

Amended: March 1, 2024

Introduction

St. Norbert College has established this policy to provide guidelines governing the management of restricted gifts which include endowment and spendable gifts.

Policy Statement

St. Norbert College is obligated to honor donor intent regarding the use of the gift. Spendable gifts and distributions from restricted endowments must be used for the purposes consistent with donor intentions and should be the first source of funding to support programs and activities meeting the restriction. Unrestricted resources, such as operating budget, may be applied to such programs after gifts and distributions restricted to these purposes have been fully exhausted.

This policy aims to ensure compliance with donor intent and to ensure the College properly administers these funds and honors fiduciary responsibilities.

Definitions

Spendable Gift: The gift may be restricted by the donor and is expected to be spent in the year received, or when the donor-imposed restriction is met.

Endowment Distribution: The endowment distribution is the approved amount available to be spent in a current fiscal year. The endowment distribution is expected to be spent in the year distributed.

The endowment distribution is determined in accordance with the spending policy as adopted by the Board of Trustees.

Responsibilities

The department/division authorized to spend from restricted funds are responsible for managing spendable gift and endowment distributions, ensuring timely and appropriate application of funds consistent with donor intent. Periodic review of gift agreement terms is necessary to ensure that this responsibility is being met in its area of oversight. This ensures that expenditures charged against such gifts and distributions are consistent with donor intent.

Financial Services is responsible for oversight of this policy.

It is expected that budget managers will prioritize the use of gifts and endowed funds. SNC will take the default position that spendable gifts received in the fiscal year will be spent in the same.

Carry-forward Balances

It is possible that there may be instances in which all or a portion of the spendable gift is unable to be spent. In that case, the budget manager must submit a request to rollover the gift to the subsequent fiscal year; the request must also be approved by the divisional VP and financial services.

Exceptions for rollover will be narrow in scope and may be granted in the following circumstances:

1. The gift(s) was received in April or May and cannot be spent prudently; or
2. The donor has restricted the purpose of the gift for an event in the next fiscal year. In this circumstance, the budget manager must provide sufficient documentation to support the restricted intent.

Gifts will not be rolled over in the event a department has overspent its operating budget.

The roll over process pertains to spendable gifts only. Unspent endowed gifts will be used to offset general program costs whenever possible. Otherwise, unspent endowment funds will be reinvested unless otherwise specified by the donor.