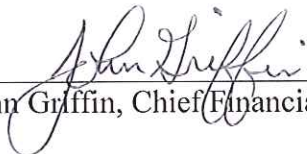




Procedure Number: AC021

Date: March 12, 2008

Reviewed: June 18, 2012


John Griffin, Chief Financial Officer

Title: Procedure for establishing a TUC endowment award fund (E1XXX & E2XXX)

Statement:

This procedure provides instruction regarding the establishment and operation of an endowment fund established at The University Corporation (TUC) when internal award are granted via the following:

1. The Office of Research and Sponsored Projects (ORSP)
2. The Judge Julian Beck (JJB) Committee
3. The Student Projects Committee

Procedure:

An endowment fund will be established when a memo is given to TUC by ORSP, the JJB Committee or the Student Projects committee announcing that awards have been granted. The memo will state the recipient, the project name, the awarded amount, the TUC permanent endowment fund from which the funds will be transferred and the time frame in which the recipient must spend all the funds. Frequently there is also an indication on the types of expenditures that the recipient can spend the awarded monies on.

Accounting personnel will establish the funds, in sequential order, within the PeopleSoft system and record, via journal entry, the transfer of the funds to establish the awarded amount. Once this has occurred, the fund's recipient will be notified of the fund's number and the accounts that they may use when they request expenditures. In addition, a signature sheet will be requested of the fund's director. The signature sheet will give a sample of those people's signatures who will have authorization to make expenditures from the fund.

A control file will be established at TUC for each fund. The control file will contain the original documentation that established the fund, any budget information and the signature sheet. Quarterly reports are provided to the account directors. These reports consist of a year-to-date income statement and a copy of the detail trial balance from the PeopleSoft system.

Any remaining balance after the expiration of the award will be transferred back to the awarding permanent endowment, for future awards.