

WESTERN KENTUCKY UNIVERSITY FOUNDATION

POLICY AND PROCEDURES MANUAL

SECTION: General

SUBJECT: Establishment of New Accounts

PURPOSE: To provide procedures for the establishment of endowed and non-endowed accounts

PROCEDURE: Accounts are established on the basis of information provided by the Account Information Form. This form must be completed by the Accounts Administrator and/or Development Officer and approved by the Executive Director before a new account is opened. Funds will be placed in a holding account until the new account is approved. All donor backup information pertaining to the new account/gift must be attached to the Account Information Form. Accounts will not be setup/finalized without receiving appropriate backup information from the donor.

Once the new account information form is completed and approved, a copy will be sent back to the Account Administrator with the new account number.

1. Account Information Form

Information required:

- a. Account Name
- b. Account Administrator: name, title, and signature
- c. College and department approvals
- d. Type of account: endowed or non-endowed
- e. Purpose: Identify the type of activity this account is intended to support and any donor restrictions on its use, i.e. unrestricted to college or restricted to departments, student financial aid, faculty and staff, research, facilities, or other (specify). Attach copies of donor correspondence.

Endowment Accounts

1. The minimum size for endowed accounts is \$10,000.
2. Endowed accounts are expected to reach their target minimum within five (5) years after initiation.
3. When possible, after consulting with donors, small endowments with similar restrictions benefiting the same University recipients should be consolidated.

Non-endowed Accounts

1. There will normally be one income account for every endowed account.
2. Restricted, non-endowed accounts will be established as required.
3. Whenever possible, contributions from donors to establish non-endowed accounts should be consolidated or combined with existing accounts consistent with the wishes of the donor.