Fiscal Stewardship: Gift Fund Balances

Overview

Unspent gift funds can happen for a variety of reasons: the gift's restrictions make finding qualified uses difficult or impossible, the distribution amount is not large enough to make a meaningful impact, the fund has been forgotten due to turnover in faculty or department staff, and/or the money is being saved for a specific project that has yet to come to fruition. Whatever the reasoning, it is imperative that funds without expenditures in the last 3 fiscal years, be addressed in order to ensure that the College of Arts & Sciences, and its academic departments, are good stewards of our donors' private philanthropy.

Methods for Addressing Unspent Monies

1. **Review**

Using one of the Gift Balance Detail reports, review department funds for high balances and/or lack of expenditures in the last few fiscal years. Next, confirm the purpose of the fund by reviewing the establishing documentation to determine the following:

   - Preferences or restrictions that govern qualified expenditures
   - Donor recognition expectations or requirements (e.g. honorary position titles)
   - Investment status: is the fund endowed or current use?

2. **Strategize**

Determine which of the following actions to take for each fund

   a. **Spend**: based on qualified fund uses, expend the balance accordingly- three options:
      - **Balance Reduction**: reduce or eliminate the balance quickly
      - **Expanded Purpose**: if found in the agreement, expand general spending criteria
      - **Save & Spend**: build the fund balance needed to accomplish a specific goal
   
   b. **Merge** (current use funds only): consolidate funds with those of another fund with similar purpose and restrictions
   
   c. **Re-invest**: (endowed funds only): transfer fund balances to the principal account to increase future distributions
   
   d. **Amend**: in consultation with the donor, for cases with no qualified fund uses and/or complex recognition components that make it difficult to administer the monies, broaden the use of the funds

   **NOTE**: if there are no living donors, the release of restriction must come from the Board of Regents and/or the Washington State Attorney General

3. **Plan**

For spending that is using the expanded purpose of an agreement or to start an amendment, please contact Theresa Mejia in CAS Advancement Services (tmejia@uw.edu) for assistance.

Key Contacts

**Spending Consultation:**
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**Amendment Process:**
Your Unit Fundraiser
Theresa Mejia - CAS Adv. Services  
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**Fund Merges & Reinvestment Requests:**
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**Reports**

**Fund Balance/ Expenditure Review:**
BI Portal
- Gift Balance Detail by Budget (for specific fund review)
- Gift Balance Detail by Spending Restriction and OrgCode (for all Division/Department funds review)

**Agreement Documentation:**
ReportWriter-Web Reports
- Endowment Documents Online

CONTACT INFORMATION
For more information or specific questions, contact CAS Advancement Services at CASadser@uw.edu

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