
2226 GIFT SUSPENSE POLICY

Effective: September, 2006
Revised: January, 2016
Last Reviewed: April, 2016
Responsible Office: Treasurer
Approval: Treasurer

PURPOSE

When a donor makes a restricted gift to the University but does not immediately communicate the specific restriction, the University will hold the contribution in suspense until it has received notice of the restriction or one year, whichever is earlier. The purpose of this policy is to set the procedure for moving such contributions from suspense to the properly designated fund.

POLICY

The Office of Gifts Accounting & Administration (“Gifts Office”) reports suspense activity monthly to all schools and centers. The report is directed to both Development and Business Office Officers for their review and action.

After review, the school/center should notify the Gifts Office of the gifts to be moved from suspense and should provide the information regarding the appropriate fund as designated by the donor and agreed to by the University. If a new fund is to be created, the school/center should refer to Policy #2216 -Creating a New Fund.

When a gift has been held in suspense for 90 days without further designation, the Gifts Office will move it to an endowment suspense fund specific to the school/center, creating such a fund if necessary. This transfer will not occur so long as AIF minimum investment policy of 5 years is in effect.

1. While in the endowment suspense fund, the gift will earn income and appreciation, but no distributions will be made from it.
2. Reporting will be obtainable through the business office of the school/center.

When the gift has been held in suspense for 9 months, the Gifts Office will require the school/center to initiate a formal written request to the donor to designate a purpose for the gift, indicating that if one is not received by the one-year deadline, the fund will be transferred to a fund that the school/center Dean determines is as close as possible to the intention of the donor, to the extent that is known. The school/center may suggest a purpose or purposes in the letter if that is appropriate. At the end of the one year period, if the donor has not designated a purpose, the Dean shall direct the transfer from suspense to the new fund he or she has so designated.