

The Florida State University Foundation

Request to Establish/Increase a Quasi-Endowment

Definition of a quasi-endowment (also known as funds functioning as an endowment): "Funds which the governing board of an institution, rather than the donor, has determined are to be retained and invested" The Foundation Board of Trustees has delegated authority for approving new quasi-endowments jointly to the Provost, or his/her designee, and the Chief Financial Officer of the FSU Foundation, or his/her designee.

The minimum threshold for establishing a new "stand-alone" quasi-endowment is \$25,000. There is no minimum if the quasi-endowment is related to an existing "true" endowment (created from donor contributions).

Is this quasi-endowment related to an existing endowment? If yes, please provide the Fund # and Fund Name:

Fund # _____ Fund Name: _____

For new quasi-endowments, why is the quasi-endowment being created and what purpose will it serve?

Note: For new quasi-endowments, a completed "Fund Transaction Authorized Signature Lists" form must be attached to indicate the persons authorized to approve transactions for the new fund.

Amount to be invested in the quasi-endowment \$ _____

Terms of Agreement:

1. No state appropriations, tuition/fees or contract/grant funds have been used to fund this quasi-endowment. Unrestricted gift funds or funds restricted for purposes other than scholarships will be considered in establishing a quasi-endowment.
2. Funds set aside or restricted for specific purposes have not been commingled with other funds having conflicting purposes in order to meet the minimum threshold for establishing this quasi-endowment.
3. Like true endowments which are created from donor contributions, quasi-endowments are intended to be long term and held in perpetuity.
4. Income from the investment of this quasi-endowment will be distributed in accordance with the current spending policy of the Florida State University Foundation.

Risks of Investing in a Diversified Pool:

It is understood that establishing a quasi-endowment implies a long-term commitment to hold the principal amount of these funds in perpetuity. Since these funds will be included in an investment pool, there is an inherent risk that the value of the investment might decrease below the book value, based on the nuances of the overall investment market performance.

Agreed to:

College Dean or University Officer (sign and print name)

Date

Approved:

Florida State University Provost (or designee)

Date

Chief Financial Officer of FSU Foundation (or designee)

Date