

THE HEALTH SCIENCE CENTER AT BROOKLYN FOUNDATION, INC.
POLICIES & PROCEDURES

Title: Establishing Endowment Accounts	No. <u>HSCBF-0004</u>
Reviewed by: Foundation Management	Original Issue Date: <u>8/2004</u>
Approved by: HSCBF Board	Revised Date: <u>05/2016</u>
	SUNY Policy Ref. No. <u>N/A</u>

- I. Purpose:** To establish an endowment account in the HSCB Foundation.
- II. Policy:** Endowment accounts may be established to enhance programs at, related to, or for the benefit of, Downstate Medical Center. Donor requirements must be approved by the Subcommittee on Finance and Investment and ratified by the Board of Directors.
- III. Responsibilities (Include all departments/services involved in development/implementation and/or monitoring):**
1. An Application to Create an Endowment Account form must be completed, as well as an Application to Create an Operating Account, with the required approval by the Dean, Chairman, or appropriate Vice President.
 2. Written instructions from the donor must be attached to the forms.
 3. Account applicants/signators must certify on the application form that they understand and accept the guidelines for responsibility and liability of the HSCB Foundation as stated in the agreement on the application forms.
 4. All accounts must have at least two signators, one of whom must be designated as Primary Signator.
 5. The completed applications and supporting documentation is forwarded to the Treasurer of the HSCB Foundation, for review by the Subcommittee on Finance and Investment.
 6. If approved by the Subcommittee, the HSCB Foundation Business Office will establish an Endowment account and an accompanying Operating account and assign account numbers.
 7. The Endowment will be added to the Endowment Manual maintained by the Secretary.
 8. The Endowment will be presented at the next meeting of the Board of Directors for ratification of the action by the Subcommittee.
 9. The Business Office will send a monthly report on account activity to the Primacy

Signator.

10. An annual audit of the Endowment will be performed.

IV. Procedures/Guidelines:

1. The Treasurer of the HSCB Foundation will review the applications and the donor's requirements and will forward it with his/her recommendation to the Subcommittee on Finance and Investment.
2. The Subcommittee on Finance and Investment will review the documents and the Treasurer's recommendation and will vote on acceptance of the Endowment.
3. If approved, the applications will be forwarded to the HSCB Foundation Business Office for establishment of an Endowment account and accompanying Operating account.
4. The Treasurer will send a letter of thanks to the donor, with a copy to the Office of Philanthropy and Institutional Advancement.
5. The donation will be mailed to the Foundation's Broadcort Account and Consulting Services Group will be asked for a recommendation regarding investment.
6. The donation will be invested in accord with the Foundation's Investment Policy.

V. Reasons for Revision:

1. Changes in regulatory or statutory laws or standards
2. System failures/changes
3. Institutional/operational changes
4. New policy to increase efficiency
5. Formalization of existing policy

VI. Attachments:

1. Application to Create an Endowment Account
2. Application to Create an Operating Account

ENDOWMENT ACCOUNT

DATE ___ _ _ _

APPLICATION TO CREATE AN ENDOWMENT ACCOUNT

(For a copy of the "Policies and Procedures for Restricted Fund Accounts" please contact the FSA Office.)

APPLICANT _____ PHONE# _____ BOX# _____

NAME OF ACCOUNT _____

FUNDS MAY BE USED FOR THE FOLLOWING PURPOSE _____

AUTHORIZED SIGNATURE(S) _____
(Signature) (Print or Type Name)

and/or _____
(Signature) (Print or Type Name)

INITIAL DONATION _____

SOURCE OF FUNDS _____

AGREEMENT: The applicant/signature(s) requests and authorizes The HSCB Foundation to receive, accept custody for, and disburse funds. Assets of both. restricted and unrestricted funds in accounts of The HSCB Foundation are the property of The HSCB Foundation. The HSCB Foundation reserves the right to refuse to pay out any funds which, in its own recognizance, it determines may be unauthorized or improper. However, The HSCB Foundation will not be liable for any funds used by applicant or signature(s) which may be unauthorized or improper, provided the appropriate signature(s) has executed the withdrawal order. The HSCB Foundation assumes no liability for actions of signature(s). Applicant/signature(s) agrees to hold harmless The HSCB Foundation from any and all actions against it resulting from actions of applicant or signature(s).

SIGNATURE OF APPLICANT _____

FOR USE BY THE HSCB FOUNDATION



DOWNSTATE
HEALTH SCIENCES UNIVERSITY

The Health Science Center
at Brooklyn Foundation

OPERATING ACCOUNT

DATE _ _ _ _

APPLICATION TO CREATE AN OPERATING ACCOUNT

{For a copy of the "Policies and Procedures for Restricted Fund Accounts" please contact the FSAOffice.}

APPLICANT _ _ _ _ _ PHONE# _ _ _ _ _ BOX# _ _ _ _

NAME OF ACCOUNT _ _ _ _ _

FUNDS MAY BE USED FOR THE FOLLOWING PURPOSE _ _ _ _ _

AUTHORIZED SIGNATURE(S) _____
(Signature) (Print or Type Name)

and/or _____
(Signature) (Print or Type Name)

INITIAL DONATION _____

SOURCE OF FUNDS _ _ _ _ _

AGREEMENT The applicant/signator(s) requests and authorizes The HSCB Foundation to receive, accept custody for, and disburse funds. Assets of both restricted and unrestricted funds in accounts of The HSCB Foundation are the property of The HSCB Foundation. The HSCB Foundation reserves the right to refuse to pay out any funds which, in its own recognizance, it determines may be unauthorized or improper. However, The HSCB Foundation will not be liable for any funds used by applicant or signator(s) which may be unauthorized or improper, provided the appropriate signator(s) has executed the withdrawal order. The HSCB Foundation assumes no liability for actions of signator(s). Applicant/signator(s) agrees to hold harmless The HSCB Foundation from any and all actions against it resulting from actions of applicant or signator(s).

SIGNATURE OF APPLICANT _ _ _ _ _

FOR USE BY THE HSCB FOUNDATION

APPROVED BY _ _ _ _ _ DATE _ _ _ _ _

ACCOUNT NUMBER _ _ _ _ _

State University of New York Health Science Center at Brooklyn
450 Clarkson Avenue, Box 124, Brooklyn, NY 11203-2098

ENDOWMENT ACCOUNTS

An endowment account is one that contains only principal funds that are not intended for direct use. The interest that accrues on the principal is deposited into a related operating account that may be used for the purposes stipulated in the agreement under which the account was set up.

The management fee for Endowment Accounts is currently 1% of market value. The related operating account is a non-endowment account and the current