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Unrestricted Fund Growth Procedures and Guidelines

PROCEDURE OVERVIEW

All new donor restricted gifts of \$1,000 or more will include a one-time allocation to the Foundation's unrestricted fund.

PURPOSE

A strong unrestricted fund enhances the Foundation's ability to meet emerging needs, invest in operations and increase support for North Island College and its students. Restricted gifts support students and important initiatives but require ongoing administrative oversight, including tracking, reporting and compliance with donor intent.

Allocating a portion of each new restricted gift to the unrestricted fund ensures financial coverage and supports long-term sustainability for the Foundation.

PRINCIPLES

This procedure enhances the Foundation's ability to operate effectively, sustainably and with legal compliance. It provides financial flexibility to address emerging priorities, ensures core expenses are supported and creates capacity for strategic investments in innovation, infrastructure, and staffing. A stronger unrestricted fund results in a stronger Foundation.

GUIDELINES

This procedure applies to all new restricted gifts of \$1,000 or more, including pledges, bequests, life insurance and other planned gifts. A one-time allocation equal to 5% of the gift value will be assessed to the unrestricted fund when the gift or pledge payment is received. Endowment income is excluded. Gifts of publicly traded securities will be assessed based on either the market value at liquidation or the receipt value.

Donors may review the financial model as in the gift agreement if applicable. Additionally, the Board of Directors may review and adjust the allocation scale as needed to support the Foundation's success and sustainability.

FINANCIAL MANAGEMENT

A dedicated unrestricted fund will be established and maintained to receive and manage these allocations.

TRANSPARENCY

This procedure will be publicly available as part of the gift process. It will also be reflected in all relevant gift agreements.

IMPLEMENTATION

Effective October 23, 2025.

RELATED POLICIES

FND-015	Gift Acceptance Policy
	Endowment Procedures and Guidelines
FND-005	Investment Policy
	Donor Recognition Procedures and Guidelines