

# University of Kentucky Endowment Services

## Endowment Fund Create and Change Form Instructions

FY 2018	University of Kentucky Endowment Fund Create and Change Form	<input type="button" value="Print Form"/> <input type="button" value="Reset Form"/>
<b>Action necessary: Choose one of the actions below:</b> 1. New Fund <input checked="" type="checkbox"/> Change a Current Fund <input type="checkbox"/> Close/Block Fund <input type="checkbox"/>		
<b>Basic Screen:</b> FM Area: <input type="text" value="UK00 : University of Kentucky"/> Fund Number: 2. <input type="text"/> Name (21 spaces): 3. <input type="text"/> Description: 4. <input style="width: 100%;" type="text"/>		EA initial approval: _____ AFRS approval: _____ AFRS approval: _____ AFRS approval: _____ AFRS keyed: _____ Final Verification: _____ EA final approval: _____
Valid From: 5. <input type="text"/>	Valid To: 6. <input type="text" value="12/31/9999"/>	
Fund Type: <input type="text" value="Internal"/>	Funds Application: <input type="text" value="103: NCB Restricted"/>	
<b>Additional UK Fund Fields:</b>		
Research Priority A: 7. <input type="text" value="N: Non-Research (Except Library)"/>	Cancer Research Match: 12. <input type="text" value="N: Not eligible for match or reportable"/>	
Business Area: 8. <input type="text" value="0101: UK w/o component units"/>	Net Asset Class: 13. <input type="text" value="RN: Restricted, Non expendable"/>	
Discipline: 9. <input type="text"/>	Contact Person: 14. <input type="text"/>	
Department: 10. <input type="text"/>	Responsible Person: 15. <input type="text"/>	
Earning Pool ID: 11. <input type="text" value="E: Endowment Fund interest posting"/>	Functional Area: 16. <input type="text" value="0110: General Academic Instruction"/>	
<b>Add UK Endowment Fields:</b>		
Endowment Type: 17. <input type="text" value="I: Chair"/>	Spending Agreement: 24. <input type="text" value="4: Contains the spending language/di"/>	
Service fee: 18. <input type="text" value=".5000"/>	Non-Standard Spending Distribu...: 25. <input type="text" value="S: Standard Rate"/>	
Share Value: 19. <input type="text"/>	Adjusted Contributed Value: 26. <input type="text"/>	
Spending Rule Ra: 20. <input type="text" value=".2884"/>	Next Year Estimated Spending: 27. <input type="text"/>	
RCTF: 21. <input type="text" value="N: No"/>	Endowment Category: 28. <input type="text" value="R: True Endowment"/>	
Endowment Term: 22. <input type="text"/>	Fund Currency: 29. <input type="text" value="USD"/>	
Governing Docum: 23. <input type="text" value="E: Endowment Agreement"/>	First Deposit: 30. <input type="text"/>	
<b>31. Endowment Spending Distribution:</b> Cost Center and Fund cannot both be entered on the same line		
<b>Cost Center</b>	<b>Fund</b>	<b>Distribution percentage</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
Total		<input type="text"/>
Please enter one cost center or fund per line. Be sure that that the total distribution equals 100%. Thank you.		
<b>32. Required Explanation:</b> Briefly explain the intended use of the endowment fund form and attach a copy of the final endowment agreement as supporting documentation for new or amended fund agreements.		
_____ _____ _____		
Originator's signature	Business Officer	Area Budget Officer
Date	Date	Date
Endowment & Gift Accounting		

## New Accounts

1. Choose New Fund.
2. Fund Number: Leave Blank, Endowment Accounting will assign a fund number
3. Name: Enter a short title, can be anything you want
4. Description: The name must match the fund name in the Agreement
5. Valid From: The date that is on the Agreement
6. Valid To: Always 12/31/9999
7. Research Priority Area: Choose the Research Priority Area from drop down list
8. Business Area: Select Business Area from drop down list
9. Discipline: Enter your discipline that is assigned based on department number
10. Department: Enter your department number
11. Earning Pool ID: Always E-Endowment Fund interest posting
12. Cancer Research Match: Always N-Not eligible for match or reportable
13. Net Asset Class: Select the Net Asset Class from drop down list
  - RN- Select for True endowments
  - RE- Select for Term and Quasi endowments
14. Contact Person: Enter your contact person
15. Responsible Person: Enter your responsible person
16. Functional Area: Choose your functional area from drop down list
17. Endowment Type: Choose your endowment type based on your agreement from the drop down list
  - Chair
  - Professorship
  - Fellowship
  - Scholarship
  - Lectureship
  - Enrichment
  - Other
18. Service Fee: This field is already entered and cannot be changed
19. Share Value: Leave Blank, Endowment Accounting will complete
20. Spending Rule Rate: This field is already entered and cannot be changed
21. RCTF: Choose if this fund is receiving RCTF match funds or not from drop down list
22. Endowment Term: Leave blank, Endowment Accounting will complete
23. Governing Document: Select Governing Document from drop down list. Majority of the time, this will be E.
24. Spending Agreement: Select Spending Agreement from drop down list. Majority of the time, this will be 4.
25. Non-Standard Spending Distribution: Majority of the time, this will be S
26. Adjusted Contributed Value: Leave Blank
27. Next Year Estimated Spending: Leave Blank

- 28.** Endowment Category: Select the Endowment Category from the drop down list
  - R-Select for True endowments
  - T-Select for Term endowments
  - Q-Select for Quasi endowments
- 29.** Fund Currency: This field is already entered and cannot be changed
- 30.** First Deposit: Leave Blank
- 31.** Endowment Spending Distribution: Enter the percentage that is to be distributed between the cost center and fund. For new endowments, the percentage has to be 100% to the fund for one year after the first deposit into the fund. After one year, the department can submit a form to change the percentage.
- 32.** Required Explanation: Enter a brief description of the intended use of the fund

For a brand new endowment, a cost center request form will also need to be submitted. This is the spending distribution cost center. The only income that is allowed in this cost center is the spending distribution income earned from the endowment fund. Other gifts cannot be deposited into this cost center.

### **Change a Current Fund**

- Click on the Change a Current Fund box at the top of the form.
- Fund Number (#2): Enter the current 07\* endowment fund number
- Name (#3): Enter the short title for the endowment
- Description (#4): Enter the long title for the endowment that matches the agreement or amendment
- Enter any other changes in the correct fields on the form
- Required explanation (#32): Enter a brief description of the changes to the endowment fund

### **Close/Block Fund**

- Click on the Close/Block Fund box at the top of the form
- Fund Number (#2): Enter the current 07\* endowment fund number
- Name (#3): Enter the short title for the endowment
- Description (#4): Enter the long title for the endowment that matches the agreement or amendment
- Required explanation (#32): Enter a brief description with the reason the endowment fund will be closed

### **Form Submission**

Submit the Endowment Fund Create and Change form to your business officer and budget officer for approval. The budget officer sends the approved forms to Endowment Accounting. Once Endowment Accounting reviews the form, it is forwarded to Accounting & Financial Reporting Services (AFRS). AFRS approves and keys the form. This process can take 3-5 business days.