

## **Financial Aid Gifts and Bequests: Guidelines for Allocation, Reallocation, and Administration**

In an effort to use endowment and gift funds more strategically, the Office of the President has prepared the “Administrative Guidelines for Allocation, Reallocation and Administration of Gifts and Bequests.” These guidelines recommend that gifts and bequests be allocated on the basis of “need, equity, and utility.” Below is a set of principles to assist in interpreting the guidelines specific to financial aid gifts and bequests.

- **Accordance with donor wishes** – The primary principle must always be to meet the spirit and letter of donor bequests to the extent possible.
- **Flexibility** – Adding restrictions beyond those outlined in the bequest should be minimized. The most strategic use of funds is generally understood by local awarding entities and additional restrictions should only be imposed when a compelling University interest is at stake.
- **Equity** – When possible, the allocation of gifts and endowments should be used to raise the financial aid endowment support of all locations to the same level.
- **Ability of location to utilize funds** – The ability of a particular location to appropriately use gifts and bequests should be taken into account when allocating funds. The University’s fiduciary responsibility is to utilize these funds in a timely manner; available income should be spent on an annual basis if possible.