



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

Endowment Payout Process

College of Arts & Sciences

Dean's Office Budget Team

July 28, 2020

ENDOWMENT PAYOUT PROCESS

Types of endowment & gift sources

3 types of sources depending on the recipient



University

Gift funds: 5XXXX or 15XXX

Endowments: 7XXXX

- Gifts post the day after received
- Endowment payout automatically posts to the expendable in late June



Arts & Sciences Foundation

Gift funds: C5XXX

Endowments: C0XXX

- Gifts received during the year are held in the ASF and transferred once a year
- Endowment payout posts in the ASF, department must decide how much to take in expendable



Chapel Hill Foundation

Gift funds: U5XXX

Endowments: U0XXX

- Gifts received during the year are held in the CHF and transferred once a year
- Endowment payout posts in the CHF, department must decide how much to take in expendable

Each type of source currently has its own process



University

Gift funds: Not included in any payout processes since gifts automatically post

Endowments: Payout automatically posts and the department is responsible for processing a journal entry to reinvest excess balance



Arts & Sciences Foundation

Gift funds: Gifts received in the previous FY are transferred as part of payout process; must be acknowledged for annual audit

Endowments: Department must decide how much to take and how much to reinvest; once transferred to the University, there is no option to reinvest into principle; focus of existing payout process



Chapel Hill Foundation

Gift funds: Gifts received in the previous FY are automatically transferred in beginning of the FY; no acknowledgement requirement

Endowments: Department must decide how much to take and how much to reinvest; once transferred to the University there is no option to reinvest into principle; decisions collected via email

ENDOWMENT PAYOUT PROCESS

New payout process

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

Streamlined approach using new payout tool



University

Gift funds: Unchanged

Endowments: Now included in decision process; Dean's Office will process a mass reinvestment journal entry based on department responses



Arts & Sciences Foundation & Chapel Hill Foundation

Combined into a single process for easier management

Gift funds: Acknowledgment in new payout tool

Endowments: Department payout decisions captured in new payout tool; ASF will process payout journal entry based on responses and the Dean's Office will communicate CHF decisions collected in the system to Accounting Services



New payout process tool

Decisions due: 8/21



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