

Terms and Definitions

Unrestricted	Contributions that are not restricted by the donor
Term Endowment	After a stated period of time, part or the entire principal of term endowment may be spent. Earnings may be restricted to a particular use by the donor.
Quasi Endowment	These funds have been designated by the Board of Trustees as endowment funds. The board may lift the restriction, and the principal may then be spent. Income earned on these endowments can usually be spent at the discretion of the Board.
True Endowment	Donors or other outside agencies have stipulated that the principal of these funds cannot be spent. The income may be restricted for a particular use at the donor's request. A minimum of \$25,000 is required to open an endowment account.
Operating Funds	Monies are used for current operations. A minimum of \$100 is required to open an operating account.
Gifts	Outright or deferred contributions received from private contributors, sometimes referred to as "donors", (individuals, corporations or foundations) in which no goods or services are expected, implied or forthcoming for the donor.
Securities	Instrument that signifies an ownership position in a corporation (stock), a creditor relationship with a corporation or governmental body (bond), or other ownership rights.
Gift-in-Kind	Also referred to as Tangible Personal Property. Property that may be seen or touched, but is not real estate.
Real Property	Land and whatever is erected or growing on it, or affixed to it. Also in some instances, it is the rights issuing out of, annexed to, and exercisable within or about the land.
Bequest	A gift of personal property by Will. Can be restricted or unrestricted by the donor.
Deferred Gift	Also referred to as a Planned Gift. Transfer of the gift is delayed for a predetermined period of time. There are a number of different types of deferred gifts—annuities, trusts and life insurance are examples.
Memorandum of Understanding	Document outlining the purpose, financials and administration of an endowed fund. Must be officially executed by the donor and the President of the Foundation. Commonly referred to as an MOU.