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**PROCEDURE TITLE:**

**Creating Internal Endowment Agreements**

**APPLIES TO:**

All employees and stakeholders involved in the process of creating internal endowment agreements

**ADMINISTRATIVE AUTHORITY:**

Office of Institutional Advancement & External Relations

**APPROVED BY:**

President Koffi C. Akakpo

**EFFECTIVE DATE:**

June 23, 2025

**NEXT REVIEW DATE:**

June 23, 2027

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**PROCEDURE STATEMENT:**

This procedure provides the official process for drafting, approving, and maintaining an internal governing document for any university endowment that lacks an original, executed donor agreement. This ensures every endowed account has a governing document on file to guide its administration in accordance with any known donor wishes and KSU policies.

**DEFINITIONS:**

**Internal Endowment Agreement**

A governing document drafted by KSU to outline the history, purpose, and administration of an endowed fund when an original donor agreement does not exist.

**Substantive Revision**

A revision that results in a significant, material change to an endowed fund or program.

### **Non-substantive Revision**

A revision that is limited in scope and does not significantly alter the operations of a fund. Examples include grammatical clarifications or changes to employee titles.

## **PROCESS:**

### **Creation and Approval Workflow**

- **Identification and Review:** When an endowed fund is identified as lacking an executed governing document, the Office of Institutional Advancement shall conduct a review of all available historical information on file for the fund.
- **Drafting:** Utilizing the approved Internal Endowment Agreement Template, the Office of Institutional Advancement will draft an agreement, incorporating any known restrictions from the historical documents.
- **Legal Review:** The draft agreement is submitted to the Office of General Counsel for review and approval.
- **Final Execution:** Upon legal approval, the draft is submitted to the CFO for final acceptance and execution.
- **Filing:** The fully executed Internal Endowment Agreement is placed in the fund's official governing folder and remains in force until it is superseded by the discovery of an original agreement.

### **Periodic Review and Amendment**

- All Internal Endowment Agreements shall be reviewed at least every three years by the Office of Institutional Advancement and/or the Division of Finance & Administration.
- Agreements will be examined for continued relevance, consistency with law and policy, and any errors.
- Substantive revisions must follow the standard creation and approval process outlined in the previous section.
- Non-substantive revisions do not require review beyond the Office of Institutional Advancement.

### **Archiving**

If an Internal Endowment Agreement is updated, revised, or superseded, the older version will be archived in the fund's governing folder. A record of all changes will be maintained in the folder.

## **REFERENCES AND RELATED MATERIALS:**

- Internal Endowment Agreement Template
- KSU Gift Acceptance Policy
- KRS 164.350

## **CONTACTS:**

Subject	Office	Telephone	E-mail
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Procedure Questions	Institutional Advancement & External Relations	(502) 597-5500	<a href="mailto:Michael.DeCourcy@kysu.edu">Michael.DeCourcy@kysu.edu</a>
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**HISTORY:**

Revision Type	Date of Creation/Revision	Drafter(s)/Editor(s)
Issued	November 2023	Michael DeCourcy and Zach Atwell
Reclassified as Procedure	June 2025	Zach Atwell

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