

University of Missouri – St. Louis
Office of Development, University Relations
Glossary of Selected Development and Related Terms
April 24, 2004

Bequest: a gift provided for in a person’s will, which may include cash, stocks, or in-kind donations.

Capital Campaign: an organized, intensive fund-raising effort designed to finance the priority needs of the University which may include construction, specific educational projects or programs, equipment needs, salaries and benefits, and endowments.

Challenge Gift: a pledge or commitment of funding used to encourage other donors to commit themselves to the effort or to increase their current support.

Charitable Gift Annuity: a contract under which a charity, in return for a transfer of cash or other property, agrees to pay a fixed sum of money for a period measured by one or two lives. The person who contributes an asset for the annuity is called the “donor,” and the person who receives payments is called the “annuitant” or “beneficiary.” Usually, the annuitant is also the donor, but this is not always true.

Charitable Remainder Annuity Trust: a trust in which a donor transfers assets of at least \$100,000 (often stocks) to an institution with the right to receive a fixed percentage (equates to an annual fixed dollar amount) of the initial fair market value of the asset for life. Upon the death of the donor, the balance of the trust is available to the University and can be used for either restricted or unrestricted purposes, according to the terms of the trust.

Charitable Remainder Uni-Trust: a trust in which a donor transfers assets of at least \$20,000 (often stocks) to an institution with the right to receive a fixed percentage of the current fair market value of the asset for life. Upon the death of the donor, the balance of the trust is available to the University and can be used for either restricted or unrestricted purposes, according to the terms of the trust.

Endowment: a discrete fund invested by the University to provide annual income for the institution. Endowed funds are not expendable; they are invested in perpetuity for the purpose of increasing the principal of the endowment and to support ongoing program needs. Endowments may be **restricted** or **unrestricted**. The University makes an annual distribution of approximately 5% from each endowed fund to its related expendable fund.

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Expendable (or Annual) Fund: a fund that can be spent in its entirety. Such a fund may be **restricted** or **unrestricted**.

Fund: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other resources together with all related liabilities, net assets or fund balances, and changes therein that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

In-Kind (or Non-monetary) Gift: a contribution of equipment, supplies or other property.

Library Acquisitions: resources used to obtain books, subscriptions, periodicals and other items displayed or read by users of the library.

Matching Gift: a gift made in response to the gift of another, usually by the donor's employer.

Monetary Gift: a contribution of cash or marketable securities.

Operating Expenses: either one-time or recurring monthly or annual expenses of the University including salaries and benefits, utilities, communications, supplies and maintenance.

Pledge: a signed and dated commitment to make a gift during a specific period and according to specified terms.

Prospect: an individual, foundation, or corporation capable of making a significant gift.

Quasi-Endowment Fund: a separate fund designated by management that moves unrestricted resources and treats them "as if" those resources were an endowment. Management may, at any time, move resources from a quasi-endowment fund back to an unrestricted fund.

Restricted Fund: a fund specified as to its use or purpose by an external donor.

Restricted Gift: a gift earmarked for a specific purpose, project or goal, such as a named scholarship, lecture program or equipment purchase.

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Trustee of Charitable Remainder Trust: the University may serve this role if the donor and University mutually agree.

Unrestricted Fund: a fund not otherwise specified as to use or purpose by an external donor.

Unrestricted Gift: a donation that is given with no restriction or identified use. The University treats all gifts as unrestricted unless otherwise specified by an external donor.