



# THE TEP FOUNDATION, Inc.

## THE TEP FOUNDATION

### RESTRICTED FUNDS POLICY

The purpose of this policy is to fulfill the Foundation's stewardship obligation pursuant to I.R.C. 501(c)(3) by ensuring that restricted funds are spent in accordance with donor terms.

#### STATEMENT OF POLICY

It is the policy of The TEP Foundation, Inc. that use of *Funds with Donor Restrictions* should be consistent with the donor's intent. The TEP Foundation will maintain oversight or spending authority over *Funds with Donor Restrictions*, are responsible for solicitation, approval and acceptance of *Funds with Donor Restrictions* in compliance with all Policies and Procedures as set forth by the TEP Foundation including requirements for approval. All expenditures and transfers made to or from *Funds with Donor Restrictions* should be consistent with the donor's expressed intent, and must comply with The TEP Foundation's Policies and procedures. The TEP Foundation who maintains authority over *Funds with Donor Restrictions* are responsible for properly accounting for *Funds with Donor Restrictions*. The Foundation will record all restricted donations in an accurate manner that facilitates required internal and external reporting. The Foundation will also record all *Funds with Donor Restrictions* and related expenditures in a manner consistent with the records of the Foundation. Funds that are not donor restricted will be accounted for separately from *Funds with Donor Restrictions* and will not be commingled with *Funds with Donor Restrictions*.

#### DEFINITIONS

*Funds with Donor Restrictions* means funds received from donors restricted to use for specified purposes (e.g., endowment, scholarships, etc.). Funds with Donor Restrictions are restricted for accounting purposes and must be segregated in the Foundation's financial systems to ensure compliance with the specified purposes and related terms of the donor gift.

If you would like more information about establishing a Fund with Donor Restrictions please send an email to: [president@thetepfoundation.org](mailto:president@thetepfoundation.org)