Fiscal Stewardship: Reinvestment
(Endowed Funds Only)

Overview
Re-investment is the process where unused operating fund balances are put back into the principal, resulting in increased value of the endowment and future distributions. Making a one-time reinvestment means that a specified amount (up to the current balance of the operating fund balance) is transferred back to the principal account (99* budget number) to add to the total value of the endowment. As funds are invested quarterly, this infusion will then increase the distribution amount for that fund’s operating account in the following quarter.

For example: The “ABC Endowed Fund” currently has $100,000 in the principal budget and a fund balance of $10,000; making a one-time reinvestment of the $10,000 fund balance on January 1 will increase the principal account total to $110,000. The March 31 distribution will then be based on the new principal account total of $110,000.

Instructions
The Endowed Fund Administrator (e.g., unit chair/director) should send an email approval of a reinvestment decision to the Unit Administrator with the following information, and copy:

   Caroline Feng (cfeng@uw.edu)
   Zanne Gerrard (sgerrard@uw.edu)
   Vivianne Yang (vivianne@uw.edu)

A copy of this authorization email should be attached to the JV transfer request.

Reinvestment Authorization Email Template
Subject Line: Endowed Fund Reinvestment Authorization

[Unit Administrator],

On behalf of the [Department/School/Program of ________] I am authorizing a one-time reinvestment of $____ from [operating budget name (operating budget #)] into its principal budget ([principal budget #]), to be effective at the next quarterly investment. Please submit a JV request to initiate this transfer.

Thank you,
[Endowed Fund Administrator]

*Please make sure to include your title and contact information in the email*