

SALEM STATE UNIVERSITY

TRUST FUND GUIDELINES

AND POLICIES

PREPARED FOR THE BOARD OF TRUSTEES

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**Salem State University
Division of Finance and Facilities**

Trust Fund Guidelines and Policies

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Salem State University

Standards for the Expenditure of Trust Funds

Definition

The term "trust funds" as used in public higher education refers to non-appropriated funds utilized by the university. "Trust funds" are created when a non-appropriated revenue source is generated. Significant revenue sources may result in stand-alone, individual "trust funds" while smaller revenue sources may be pooled.

Revenue Sources

Salem State University has two primary sources of income: state appropriations and funds held in trust, which are generated primarily from fees, gifts and grants, auxiliary revenues, capital financing and miscellaneous sources. These trust fund revenues are used to complement state appropriations in order to ensure sufficient funding for the University programs.

The expenditure of state appropriated funds is governed by detailed state regulations which control expenditures for the university. Statutory authority for enforcing state regulations rests with several entities including the State Auditor, the State Comptroller and the Department of Higher Education.

Although technically "public" funds, trust funds are not "appropriated" funds and, therefore, are not subject to the same spending rules and regulations as appropriated funds. In many cases, other external regulations govern expenditures of trust funds. For example, the Massachusetts State College Building Authority governs the Residence Hall Trust Fund. Where external, third-party regulations do not exist, responsibility for regulating and controlling the expenditure of trust funds rests with the Salem State University Board of Trustees. The Department of Higher Education does not have statutory authority for trust funds.

Role of Trust Funds

For Salem State University, trust funds play an important role in financing the education of our students. The statutory authority for trust funds resides in the Commonwealth of Massachusetts General Laws Chapter 15A, Section 5 and Chapter 73, Section 14, as well as various other statutes governing public institutions of higher education. These statutes allow the Department of Higher Education and Boards of Trustees to create financial accounts to fund and account for certain campus projects, programs and activities. These statutes stipulate that all income received be held in trust and be expended for the purposes for which the trust funds were established. This is also a fundamental tenant of the required form of accounting within the nonprofit higher education industry, which is known as fund accounting.

Trust funds are used in connection with a variety of campus activities such as auxiliary

services (e.g. student housing, parking and food service), student activities and public services. Revenues generated through each activity are used to fund the costs of the associated program or activity. The expectation is that over time most trust funds will become self-supporting.

These guidelines and policies form the basis for the procedures to be followed in establishing, administering and expending trust funds at Salem State University in conjunction with the internal control policies and the general and specific policies and procedures for accounting and fiscal administration of the University.

Purpose of Standards

It is important that the development, utilization and management of trust funds be conducted in a manner that complies with applicable laws and statutes and meets with the approval of the Salem State University Board of Trustees. Standards for the expenditure of trust funds are intended to provide some guidance and suggestions on selected expenditures made in the interest of promoting the mission of the university. These standards provide greater clarity and uniformity in the determination of appropriate and inappropriate expenditures of these funds.

Underlying Principles

A number of important principles underlie these standards:

- (1) Standards should not be construed as an attempt to usurp campus based authority or to centralize decision-making. Salem State University must have the flexibility to fulfill its distinctive mission within the public higher education system.
- (2) There is no substitute for personal ethics and sound judgment. Expenditures of trust funds should be made with the assumption that those decisions and choices will become public knowledge.
- (3) Accountability is a critical component of local autonomy. The university will be held accountable for choices and decisions, including the expenditure of trust funds.
- (4) Salem State University is a member of, and participates within, the larger community it serves. As such, the university must interact with community groups and civic associations and it is appropriate for it to make modest and limited expenditures in support of these entities.
- (5) State universities, like private universities, must engage in activities that promote employee morale, generate philanthropic support and enhance the wellbeing of the University. Accordingly, reasonable and appropriate expenditures to support such activities can and should be made.
- (6) Trust funds should be spent in a manner which is reasonable and prudent. Travel, entertainment and other expenditures should be made in

moderation and good taste. Additional guidelines are detailed in the university's Business Expense Policy, policy governing On/Off-Campus Events, Recruitment Policy, Travel Policy, and Gift Card Policy referenced in the Addendum.

Responsibility and Reporting

- (1) Responsibility for these specific trust fund guidelines and regulations rests with the Salem State University Board of Trustees.
- (2) Responsibility for trust fund administration rests with the president and the vice president for finance and facilities. Records should be maintained in accordance with proper accounting procedures including documentation of receipts, disbursements and bank accounts.
- (3) All trust fund activities are subject to regular audit inspection by the State Auditor's Office.
- (4) Clear definitions, goals and objectives shall be established for each trust fund. An annual budget will be developed, reviewed by the president and submitted to the board of trustees for approval. Such budgets should include sufficient detail to permit the identification of major expenditures over \$500,000 in a fiscal year.
- (5) The president or designee shall provide an accounting of trust fund revenues and expenditures to the board of trustees on a quarterly basis. Audited financial statements shall be submitted to the Department of Higher Education, the Office of the State Auditor and the Office of the State Comptroller on an annual basis. Additional reports may be requested at the discretion of the board of trustees or the appropriate state department/office.
- (6) The level of detail in the quarterly reports must be sufficient to satisfy board of trustees' inquiries and audit requirements and should also include: certification by the president or designee that all records were maintained in accordance with proper procedures, including documentation of receipts, disbursements and bank accounts, and that all expenditures were made to advance Salem State University's mission.
- (7) The Finance and Facilities Committee of the Board of Trustees shall review the report and it should be provided to the full board of trustees. The president is responsible for reporting any violations of trust fund expenditure standards to the board of trustees. The board of trustees shall be responsible for follow-up action taken to address each violation.
- (8) As necessary, the Risk Management and Audit (RMA) Committee of the Board of Trustees will receive reports by auditors for review and discussion with the full board of trustees. The RMA Committee reviews an annual external audit prior to its acceptance by the full board of trustees. Furthermore, the RMA Committee reviews audited financial statements and financial compliance reports.

- (9) Wherever specific expenditures require prior approval, the approval of the annual budget by the board of trustees satisfies prior approval requirements for any expenditure.
- (10) The president or his/her designee has discretion over individual contracts where trust funds are used up to \$500,000 except in the following circumstances which require prior approval of the board chair:
- a. Expenditures which personally benefit the president, if any, which shall not be in violation of the State Ethics laws.
 - b. Expenditures for furnishings or decoration of the president's office or home;
 - c. Expenditures for fees or individual membership dues over \$500 except for fees or dues associated with professional organizations that directly advance the mission; or that support licensure/certifications required by an employee in the course of his/her job responsibility.
 - d. Expenditures for trustee travel;
 - e. Expenditures for purchase or lease of motor vehicles used by the president or other administrators.
- (11) Individual annual expenditures for contracts over \$500,000 require the prior approval of the board of trustees which can be granted through approval of the budget schedule identifying them. In rare cases when approval of the full board of trustees is not immediately available, the executive committee of the board may grant verbal approval on behalf of the board of trustees. Such an action must be reported at the next regularly scheduled meeting of the full board of trustees.

Prohibited Expenditures

The following expenditures are expressly prohibited:

- (1) Expenditures which would be in violation of state ethics laws or other applicable laws.
- (2) Purchase or lease of vehicles for the exclusive use of employees other than the president. Vehicle(s) for the exclusive use of the president, if any, shall be governed by the terms of an employment contract duly approved by the board of trustees.
- (3) Contributions to individuals seeking elected public office or to political action committees (PACs) or equivalent organizations
- (4) Personal loans granted to university staff or members of the board of trustees. (This prohibition excludes regular financial aid programs at the institution.)
- (5) Initiation fees and membership dues for private clubs.

Categories of Allowable Expenditure

(1) Expenditures of a Personal Nature

- a. Whenever expenditure would personally benefit or might be seen to personally benefit an individual, that person is prohibited from approving such expenditure, regardless of the dollar amount. In all such circumstances, the president or his/her designee must approve the expenditure in advance.
- b. In the case of the president, the chairperson of the board of trustees must provide approval of such expenditures which will be reported to the Risk Management and Audit Committee on an annual basis.

(2) General Campus Projects

- a. When furnishings or decorations are paid from university funds for the president's home or office, they must have the prior approval of the board of trustees. All such expenditures shall conform to university and state policies and procurement regulations and guidelines.
- b. Contractor and consultant fees paid from trust funds shall conform to state law pertaining to such activities.
- c. Publications, including presidential reports, newsletters, advertisements, magazines, invitations should demonstrate moderation and good taste.
- d. Individual membership fees for civic, academic and/or professional organizations must have prior approval of the president or his/her designee except for fees or dues associated with professional organizations that directly advance the mission or licensure/certification required by responsibility. In the case of the president, the board of trustees must give prior approval.
- e. Modest contributions to charitable organizations are permissible provided they will further the public purpose of the university.

(3) Travel and Subsistence Costs

Refer to the University Travel and Business Expense Policy which may change from time to time.

(4) Personal and Student Loans

- a. It is permissible to provide salary disbursements through the Commonwealth's Dynacash procedures to employees if the university cannot meet payroll due to technical or processing difficulties. (e.g. computer failure, problems with timesheet processing, etc.).
- b. In the case of students, loans can only be made by the president or the director

of financial aid and should be made only via standardized financial aid loan programs or, rarely, in exceptional circumstances (“emergency loan”).

(5) Employee and Student Recognition Activities

- a. Certain expenditures of trust funds to enhance employee and student morale or to recognize achievement, longevity, performance or retirement can be made in moderation. Gift cards may not be purchased as a form of recognition. (Refer to gift card policy). All recognition activities must comply with specific University policies and procedures (see Addendum).

(6) Entertainment of University Donors, Alumni, Friends, Guests and Visitors

- a. Such entertainment by any members of the university should be in moderation and good taste.
- b. It is appropriate for the university president to entertain guests in his/her home as part of official duties. Such entertainment should be in moderation and good taste.
- c. Sports, theater and other entertainment tickets can be purchased with trust funds if the event is being held on campus or directly supports the university's programs. Such expenditures may be made to support student attendance at events.

(7) The Board of Higher Education (BHE) Guidelines and Procedures for Transitional, Post-Presidential Employment Agreements for State University and Community College Presidents as approved on June 14, 2016 is incorporated by reference. An excerpt from the BHE policy is as follows:

“Trustees of state universities and community colleges are prohibited from entering into post-presidential employment agreements with a sitting president unless the agreement is memorialized in the President’s Board of Higher Education (BHE) – approved Terms of Appointment or otherwise approved by the Commissioner of the Department of Higher Education, in consultation with the chair of the BHE.

Proposed agreements with a former president who has resigned within the last 12 months shall be submitted to the commissioner for review to determine 1) whether the proposed agreement is a retirement benefit or severance agreement which would require BHE approval; or 2) whether the agreement is reasonable on its face using the Guidelines and Procedures for Transitional, and Post-Presidential Employment Agreements for State University and Community College Presidents, and delegates to the Commissioner the authority to act on behalf of the Board of Higher Education as approved by the Board of Higher Education on June 14, 2016.”

(8) Miscellaneous

- a. Attracting individuals of high quality can require assisting them with the costs of relocation from other parts of the state or country. If considered necessary by the supervisor and with appropriate campus approvals (assistant vice president human resources and the relevant vice president), university departments may pay a new employee a reasonable transition allowance to cover their personal moving, relocation and employment transition costs. If a transition allowance is paid, the allowance will be taxable to the employee and paid via payroll. The allowance must be (1) authorized in advance, (2) documented in writing to the employee and for the human resource files, and (3) directly related to the commencement of employment at Salem State University.
- b. Modest purchases of flowers, gifts and cards from trust funds may be made by the president or his/her designee. Appropriate occasions include but are not limited to: death or illness of an employee, student, trustee or person of special importance to the university, or immediate family member of said persons; appreciation for contributions that enhance the mission of the university.

Closing Comments

As noted previously, these standards for the expenditure of trust funds are not all-inclusive. It would be impossible to outline every possible type of expenditure which might be made utilizing these funds. However, when a trust fund expenditure decision must be made, it should be made in recognition of the public nature of these funds and in moderation and good taste.

Salem State University - Trust Funds based on L3 in Fund Hierarchy				
Trust Fund	Description	Count of PeopleSoft Funds	FY15 Total Revenue	Examples
L3_Agency	Funds held by Salem State as custodian/fiscal agent for others	6	-	Fund 6222 - Unclaimed Checks
L3_Education & General Funds	Basic operations of the university; unrestricted funds	53	128,378,885	Fund 1000 - State Maintenance Appropriation Fund 2311 - Darwin Festival Fund 1247 - Investments
L3_Gifts	Funds donated by others outside the university for a specific purpose	2	296,548	Fund 2313 - Departmental Gifts
L3_Grants	Funds provided by an external party in return for a specific project or other action by the university. Majority of SSU's grants are for financial aid to students.	258	20,673,825	Fund 2200 - Pell Grant
L3_Net Invested in Capital Assets	Capitalizable facility projects; depreciation; debt.	19	7,945,075	Fund 7020 - DCAM Solar Panel 7006-9800 Fund 7040 - Invested in Cap Assets-Net
L3_Residence Hall Trust Fund	Self-supporting operations that provide services to students, faculty, or staff; restricted by an entity outside of the university (MSCBA owned facility operations)	11	16,084,078	Fund 2517 - CDTR-Atlantic Hall
L3_Restricted other		65	817,213	Fund 2304 - Alpha Lambda Delta/ACADEMIA
L3_Total Loan Funds	Funds provided by others for the purpose of Student Financial Aid in the form of loans, not grants. Debt belongs to the recipient, not the university.	5	-	Fund 4204 - Graduate Student Loan Fund
L3_Total Restricted Endowments	Most endowments are held by the Foundation, but the university has one historical endowed fund	1	18,863	Fund 5002 - Cruttenden Endowment
L3_Unrestricted Auxiliaries	Self-supporting operations that provide services to students, faculty, or staff; not restricted by an entity outside of the university	4	180,023	Fund 6204 - Dining Hall Trust Fund
Total Individual Funds in PeopleSoft (Active)		424	174,394,510	

Salem State University Trust Fund Document

The Board of Trustees of Salem State University establishes trust funds as authorized by Massachusetts General Laws Chapter 15A, Section 5 and Chapter 73, Section 14. These statutes authorize the university, through its board of trustees, to create trust funds to finance and account for certain campus projects, programs and activities. The board of trustees shall establish those fees required to maintain a reasonable balance of unrestricted operating funds.

These statutes also stipulate that income received (other than state and federal appropriations) be held in trust and be expended for the purposes for which each trust fund is established. Trust funds are used to provide an accounting structure within which the university shall operate those activities deemed necessary for the operation and maintenance of those university projects, programs and activities directly associated with the particular trust fund.

The Salem State University Board of Trustees shall be the primary legal entity responsible for the collection of revenues and expenditures of funds associated with these accounts. The board of trustees delegates the authority to operate trust funds to the president, who in turn delegates the following responsibilities to the vice president for finance and facilities:

- (1) Establishing and maintaining accurate records of all transactions affecting the fund balance of each account. Records shall be maintained in accordance with proper accounting procedures, including documentation of receipts, disbursements and bank accounts.
- (2) Maintaining cash collected in the name of the trust fund within an approved banking establishment as approved by the chief financial officer
- (3) Complying with all Massachusetts General Laws, which may directly or indirectly affect the nature of expenditures from the trust funds, and compliance with all guidelines and standards, issued by the governor of Massachusetts under his/her executive authority.
- (4) Providing the president with a detailed accounting of trust fund expenditures on a routine basis. The president or her designee shall provide quarterly reports to the board of trustees for review. Such reports are disseminated to the board of trustees through the finance and facilities committee.

Salem State University – Educational and General Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Education and General Trust Fund.**"
- (2) The Education and General Trust Fund shall be used to provide support for the general purpose of university operations, which include academic costs, costs associated with student services, institutional support, operation and maintenance of the physical plant, and costs related to public service to enhance university/community relations. Funds may be used for the purpose of scholarship aid and financial assistance to students from time to time as deemed appropriate by the president and/or the board of trustees.
- (3) The revenue sources for this trust fund will be derived from undergraduate tuition and fees and graduate student tuition and fees, application fees, unrestricted gifts, library fees, payment plan fees, transcript fees, locally generated day tuition revenues and various other revenue sources not in conflict with existing university contracts or university policies and procedures. Funds may be transferred to or received from other trusts for expenditure in this trust fund as appropriate. An example of an appropriate transfer to another fund would be transferring funds to the Net Investment in Plant Trust Fund to cover depreciation, debt service, and/or capital improvement projects.
- (4) Examples of appropriate expenditures would be, but not limited to the following: office supplies, travel expenses, payroll expenses, electricity, consultant expenses, books, paper, equipment, and other expenses related to the daily operation of the university.

Expenditures must be in compliance with the expense policies of the university listed in the addendum.

- (5) Examples of inappropriate expenditures would be, but not limited to the following: any items indicated as inappropriate trust fund expenditures within the Trust Fund Guidelines issued by the Department of Higher Education.
- (6) Retained Education and General Trust Fund balances may be created or preserved in order to protect against any economic or enrollment downturns or budget rescissions from the commonwealth, or to create a pool for future strategic initiatives.

Salem State University – Agency Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Agency Trust Fund.**"
- (2) The Agency Trust Fund shall be used to provide financial custodial and accounting services for an external entity for projects that closely relate to the mission of Salem State University, and for which Salem State has clear legal authority to engage in such services.
- (3) The revenues sources for this trust fund will vary depending on the nature of the entity and its activities.
- (4) Examples of appropriate expenditures would include distribution of funds collected, for the purposes intended via the collection.
- (5) Examples of inappropriate expenditures would include items which are not intended, by the legal owner, to be purchased.
- (6) Retained Agency Trust Fund balances do not legally belong to Salem State University and are held on behalf of the other entity.

Salem State University – Gifts Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Gifts Trust Fund.**"
- (2) The Gifts Trust Fund shall be used to provide support for the programs and services of the university in accordance with the specific intent expressed by the donor. It should be noted that most such gifts are received initially by the Salem State University Foundation and are conveyed to the university by the foundation.
- (3) The revenues sources for this trust fund will be gifts.
- (4) Examples of appropriate expenditures would include equipment, supplies, payroll as intended by the donor.
- (5) Examples of inappropriate expenditures would include items that are not consistent with the intent of the gift; for example, buying laboratory equipment from a theatre department gift fund.
- (6) Retained Gifts Trust Fund balances are carried forward and may only be spent in a manner consistent with the donor's intent.

Salem State University – Grants Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as **“Salem State University – Grants Trust Fund.”**
- (2) The Grants Trust Fund shall be used to provide support for projects or financial aid, as agreed upon between the university and the grantor,
- (3) The revenues sources for this trust fund will be Federal, state, private and other grants and contracts.
- (4) Examples of appropriate expenditures would include financial aid, labor, equipment, supplies, travel as per the approved terms and conditions of the grant award.
- (5) Examples of inappropriate expenditures would include items not allowable under the terms and conditions of the grant.
- (6) Retained Grants Trust Fund balances are not normally anticipated at the conclusion of the award year or the expiration of the final grant period.

Salem State University – Net Invested in Capital Assets Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as **“Salem State University – Net Invested in Capital Assets Trust Fund.”**
- (2) The Net Invested in Capital Assets Trust Fund shall be used to provide support to acquire, pay for, and improve the physical assets of the university (campus and major equipment.)
- (3) The revenue sources for this trust fund will include funds transferred from the Education and General Trust Fund, properly authorized debt issuance, state capital grants and similar sources.
- (4) Examples of appropriate expenditures would include design and construction services, depreciation, payment of principal and interest on indebtedness.
- (5) Examples of inappropriate expenditures would include routine supplies for a department.
- (6) Retained Net Invested in Capital Assets Trust Fund balances will carry forward for future capital asset needs.

Salem State University – Residence Halls Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as **“Salem State University – Residence Halls Trust Fund.”**
- (2) The Residence Halls Trust Fund shall be used to provide support for the operation of the residence halls on campus.
- (3) The revenues sources for this trust fund will be room rents charged to students and rental of space for conference and other guests.
- (4) Examples of appropriate expenditures would include resident advisor labor, maintenance of the residence halls, utilities, housing grants to students, or replacement of furniture in the halls.
- (5) Examples of inappropriate expenditures would include expenses that do not benefit the residents of the halls or contribute to the upkeep and programming of them.
- (6) Retained Residence Hall Trust Fund balances remain intact and carry forward. The Massachusetts State College Building Authority (MSCBA) establishes certain reserve requirements through various contracts with the Massachusetts Department of Higher Education and the bondholders for project financing.

Salem State University – Other Restricted Activities Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Other Restricted Activities Trust Fund.**"
- (2) The Other Restricted Activities Trust Fund shall be used to provide support for operations of programs that are related to the university's mission but dictated by external parties,
- (3) The revenues sources for this trust fund will be fees, dues, and miscellaneous sales.
- (4) Examples of appropriate expenditures would include program costs for various academic honor societies.
- (5) Examples of inappropriate expenditures would include items not consistent with the purpose and intent of the collected funds.
- (6) Retained Other Restricted Activities Trust Fund balances carry forward for future use.

Salem State University – Loan Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Loan Trust Fund.**"
- (2) The Loan Trust Fund shall be used to provide support for financial aid for students which take the form of loans to students or parents, primarily from the Federal Department of Education.
- (3) The revenues sources for this trust fund will be funds provided by the lender on behalf of the student or parent borrower. It should be noted that such funds are not revenue to the university per se; the university is acting as a pass-through from the lender to the intended borrower.
- (4) Examples of appropriate expenditures would include disbursements to the borrower, often then credited directly to the student's account balance with the university.
- (5) Examples of inappropriate expenditures would include purchases of goods or services for university departments.
- (6) Retained Loan Trust Fund balances generally do not exist as the loan funds are disbursed in their entirety every year.

Salem State University – Restricted Endowments Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Restricted Endowments (Cruttenden) Trust Fund.**"
- (2) The XYZ Trust Fund shall be used to provide support consistent with the original Cruttenden gift.
- (3) The revenues sources for this trust fund will be payout associated with the invested funds or as per an approved endowment spending policy.
- (4) Examples of inappropriate expenditures would include items inconsistent with the intent of the endowment.
- (5) Retained Restricted Endowment Trust Fund balances remain in perpetuity as required by the terms of the endowment.

Salem State University – Unrestricted Auxiliaries Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – Unrestricted Auxiliaries Trust Fund.**"
- (2) The Unrestricted Auxiliaries Trust Fund shall be used to provide services for students, faculty, and staff as anticipated through the particular program which is housed in this trust fund, for example the dining program or the bookstore.
- (3) The revenues sources for this trust fund will be generated by the particular auxiliary program.
- (4) Examples of appropriate expenditures would include payments to the outsourced vendor who provides the auxiliary service.
- (5) Examples of inappropriate expenditures would include purchases for items not related to the auxiliary programs.
- (6) Retained trust fund balances carry forward or may be transferred to the university's educational and general fund and used as the university deems appropriate to achieve its mission and purpose.

THIS IS A TEMPLATE IN THE EVENT OF CREATING ADDITIONAL TRUST FUNDS IN THE FUTURE

Salem State University – XYZ Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

- (1) The trust shall be exclusively known as "**Salem State University – XYZ Trust Fund.**"
- (2) The XYZ Trust Fund shall be used to provide support for _____,
- (3) The revenues sources for this trust fund will be _____.
- (4) Examples of appropriate expenditures would include _____
- (5) Examples of inappropriate expenditures would include _____
- (6) Retained XYZ Trust Fund balances _____

Addendum – List of Related Policies – Date of Most Recent Revision

1. Business Travel Policy – August 2011
2. Gift Card Policy – May 10, 2016
3. Fraud Waste and Abuse Policies – November 2009 (Toolkit from State Comptroller’s Office)
4. Information Security Policy - September 21, 2016
5. Time and Effort Reporting Policy - December 2010
6. Investment Policy – June 7, 2017
7. Contract Signing Authority – November 2015
8. Presidential Business, Travel and Entertainment Expenses Policy – October 8, 2013

List of related procedural documents

1. Business Expense Reimbursement Procedures – ongoing
2. Cash Handling Procedures – January 7, 2016
3. Procard Procedures Manual – August 29, 2017
4. Vehicle Use – December 22, 2010
5. Guidelines and Procedures for Transitional and Post-Presidential Employment Agreements for State University and Community College Presidents – Board of Higher Education - June 14, 2016