1. **Introduction**

Periodically the University initiates large capital projects which depend on funding generated by targeted fundraising programs launched in advance of the construction phase. Investing the proceeds of such fundraising programs would be beneficial in providing supplemental income for the upcoming project while also meeting donor expectations for enhancing the value of gifts received well in advance of the start of construction.

2. **Purpose**

A capital project endowment can be established to hold and invest the proceeds of gift and pledge payments for a period prior to the commencement of construction subject to the terms and conditions set forth below.

3. **Special Conditions**

   a) The capital project must have a projected cost of $5 million or more;
   
   b) the project must be supported by a campaign or program which is designated as a fundraising priority of the University;
   
   c) project construction will normally begin not less than 2 years or more than 5 years from the date the first gift/pledge payment is received;
   
   d) in order to fund the capital project, the principal value and accrued earnings thereon will be liquidated at the discretion of the University through the Office of the Vice President, Finance and Administration.
   
   e) all earnings of the fund will be automatically reinvested until such time as the endowment is liquidated in accordance with 3(d).

4. **General**

Performance results of capital project endowments will be included with results of the general endowment reported to the Board of Governors, and these results will be shared with donors. There will be no special reporting to individual donors on the value of their gift subsequent to investment in the capital project endowment.

Dalhousie University may revise or amend the terms of such a fund if it becomes difficult to achieve the original purpose of this fund. In seeking such revision or amendments, Dalhousie University shall consider the general intent and spirit of the original gift.