Ball State University  
Ball State University Foundation  

Guidelines For Foundation Account Withdrawals

In order to develop and maintain policies and procedures which will provide proper documentation and review of withdrawals from Foundation Accounts, disburse funds in accordance with donor intent, maintain unquestioned the tax exempt status of the Foundation, prohibit the use of funds for the direct personal benefit of faculty and/or staff, obtain goods and services efficiently and at the lowest cost consistent with quantity and quality desired, and properly account for all transactions through the Purchasing Department and Central Stores, guidelines for withdrawal of Foundation funds are listed below. Monthly Activity Reports are produced to enable the various departments, administrators, etc. to reconcile the transactions which occurred during the prior month on all expendable funds. The reports are sent to the person with "supervisory authorization" and it is their responsibility to forward the report to the appropriate person with "fund authorization."

A. FOUNDATION GUIDELINES FOR DETERMINATION OF ALLOWABLE USE OF FUNDS INCLUDES GENERAL EXPENDITURE CATEGORIES LISTED AS FOLLOWS:

1. **Salary and Wage Payments (Including Moving Expenses).**

   Direct payment, by the Foundation, to faculty, staff, students and or part-time employees of the University is not allowable. If support of University payroll charges or other compensation to University employees is approved from Foundation funds, payment to the employee will be processed through the University Payroll Office. Moving expenses must be pre-approved by the President of the University and the Budget Office.

2. **Honorarium and Consulting Fees.**

   Payment of an honorarium or consulting fee is allowable provided the individual receiving payment is not an employee or student of the University. Since Honorariums constitute income to the recipients, the Withdrawal form authorizing payment must be accompanied by a completed IRS Form W-9 which is located through Form Finder, providing the recipients home address and social security number. The Foundation does not pay Honorariums to individuals who have a non-resident alien status. These payments will be processed through the University Accounting Office and then may be reimbursed by the Foundation.

3. **Guest Expenses.**

   Reimbursement of expenses incurred for entertainment of guest lecturers and/or other guests of the University is allowable. Usually reimbursement is limited to expenses incurred for travel, food, and lodging of guests and the associated expenses for a reasonable number of University staff accompanying the guests. Unusual circumstances should be cleared with the Foundation prior to
4. **Coffee Hours, Receptions, etc.**

Reimbursement of expenses incurred for coffee hours, teas and/or receptions may be reimbursed from Foundation funds provided the functions are in conjunction with official University related activities.

5. **Association Dues and Publication Costs**

Departmental and/or institution association dues and publications' costs may be paid from Foundation funds. Payment of association dues and/or publications' costs for the direct personal benefit of individual faculty or staff members is not allowable.

6. **Faculty and Staff Travel.**

   a. Use of Foundation funds for travel expenses must be approved by the University in advance of proposed travel dates.

   b. Travel expenses must be directly related to faculty and staff department, office and/or institutional assignments in order to be paid from Foundation funds.

   c. Faculty and staff members must file an "Authorization for Travel," Form B-27, signed by the Department Head and Dean and/or Vice President. The appropriate Foundation account number should be indicated as the source of funds for payment of the travel expenses.

   d. All documentation should be sent to the Accounting Office first. The Accounting Office will then forward the Foundation paperwork to the Foundation Office for processing. For more detailed description, see page 7 item 4 for processing “Requests for Withdrawals of Funds for Approved Travel”.

7. **Magazine Subscriptions.**

Magazine and other subscriptions to be paid from Foundation funds should be directly related to departmental teaching, research and/or public service activities. Subscriptions must be mailed to a University department, office or the library.

8. **Capital Equipment.**

   a. Capital equipment generally used for teaching, research, and/or public service activities may be purchased from Foundation funds. Capital equipment is currently defined as those items costing $5,000 or more and having a useful life of one year or more.
b. Title to, and inventory control of, capital equipment purchased from Foundation funds is automatically transferred to the University unless specifically indicated otherwise by the Foundation.

c. Department Heads may recommend a specific vendor, manufacturer, etc. if the requested equipment is required to maintain consistency with existing equipment or to meet teaching or research specifications.

d. Capital equipment purchased with Foundation funds will require the University Requisition, Form B-9, in addition to the Request for Withdrawal of funds. The Foundation will encumber the funds and forward all paperwork to the Accounting Office to issue a Purchase Order number. The Accounting Office will then forward the information to Purchasing. The Foundation does not forward to Purchasing directly.


a. Expendable supplies may be purchased from Foundation funds.

b. Supply and expense items must be used for teaching, research, and/or public service activities. For economics, departments are urged to purchase common-user supply items through the University Central Stores.

10. Scholarships and Student Awards

Scholarships are generally defined as payments made to students to financially support future academic studies. Awards are generally of a relatively small amount and are made in recognition of prior academic work. Both are allowable from foundation funds if the appropriate procedures are followed.

11. Gift Cards

The Foundation will not pay for or reimburse for gift card purchases.

12. Flowers

Flowers are ordered by the University President’s Office for events and occurrences dealing with employees, alumni, and friends of the University. Similar events and occurrences held by departments and colleges will also qualify for Foundation reimbursement if the flowers are for decoration purposes. Any other flower purchases that are given directly to an individual as a thank you gift, birthday gift, funeral, etc., will not be paid by the Foundation unless the individual is a major donor or by special approval from the University President’s Office. Those flower purchases must be funded by individual contributions within the area in which the purchase was made and those contributions must be sent directly to the florist.
13. **Other.**

Proposed uses of Foundation funds which are not directly related to the above listed categories or uses relating to unusual circumstances must be cleared with the Foundation prior to expenditures being incurred. Failure to comply with this provision can result in embarrassment, returned merchandise and personal expense.

14. **University Award/Prize/Gift/Incentive (APGI) Policy.**

[Policyawardsandprizes.pdf](policyawardsandprizes.pdf)
[apgisummarytable[1].pdf](apgisummarytable[1].pdf)

**B. UNIVERSITY GUIDELINES FOR CONTROL OF EQUIPMENT PURCHASED FROM FOUNDATION FUNDS.**

1. Equipment purchased from Foundation funds will be assigned to the requesting department until such time as the equipment becomes excess to department needs, obsolete, or considered of limited value beyond reasonable repair. At this time it must be transferred by the Department of Inventory Control for storage or salvage.

2. All equipment purchased from Foundation funds will be recorded and labeled as a part of the University inventory system. The inventory numbering system will separately identify equipment purchased from Foundation funds.

3. The University and/or the Foundation may elect not to approve an equipment request due to one of the following conditions:
   
   a. High level of projected operating and/or maintenance costs.
   
   b. Space needs requiring major alterations to existing structure.
   
   c. Major installation costs.
   
   d. Duplication of existing equipment which is available for general use by University faculty and staff.

**C. PROCEDURES FOR REQUESTING WITHDRAWAL FROM FOUNDATION ACCOUNTS.**

1. Requests for withdrawal of funds involving honorariums, consulting fees, association dues, publication costs, subscriptions for magazines and publications, reimbursement of expenses for entertainment of University guests, reimbursement for payment to a vendor for miscellaneous supply
items procured directly from a vendor, items of equipment of a non-capital nature and other miscellaneous expenses will be process as follows:

a. Requests for the withdrawal of Foundation funds are to be submitted on the "Request For Withdrawal of Funds From Ball State University Foundation" form. The form must be signed by the individual assigned responsibility for the Foundation account from which funds are requested and countersigned by the individual who has supervisory or administrative responsibility over the person submitting the request. Completed forms are to be submitted to the Foundation for certification of sufficient funds, proper documentation, approval and payment.

b. Original vendor invoices, expense receipts, and/or other supporting documentation should be attached to the withdrawal form. For University activities, the name and purpose of the event and date should be included.

c. One copy of the Request for Withdrawal of Funds will be forwarded by the Foundation to the Budget Office for information purposes.

d. If request is an honorarium, complete the IRS Form W-9. (copy attached)

2. Requests for Withdrawal of Foundation Funds for Transactions through Purchasing Department/Central Stores will be Processed as Follows:

a. Requests for the withdrawal of Foundation funds are to be submitted on the "Request for Withdrawal of Funds From Ball State University Foundation" form. The form must be signed by the individual assigned responsibility for the Foundation account from which funds are requested and countersigned by the individual who has supervisory or administrative responsibility over the person submitting the request. Completed forms are to be submitted to the Foundation for certification of sufficient funds, proper documentation, approval and payment.

b. All requests for purchase of Capital Equipment must be accompanied by a "University Requisition" Form B-9. The title and account number of the Foundation funds to be charged must be shown on the requisition. Justification for a specific vendor and/or manufacturer of equipment or supplies must accompany the requisition.

c. A copy of the request will be retained in the Pending File until notification by the Accounting Office that the transaction has been concluded. The approximate amount of the expenditure will be charged against the proper account until full payment is made, adjusting the account balance to the exact amount.

d. Requisitions for capital equipment are to be approved by the Department Head and Dean and/or Vice President.
Requests will be forwarded by the Foundation to the accounting Office for review and coding, and, in turn forwarded to the Purchasing Office for processing.

Consideration will be given to departments’ preference of vendor, manufacturer, etc; however, determination of the vendor will be the responsibility of the Purchasing Office. Every effort will be made to purchase items at the lowest price consistent with the quantity and quality desired.

Upon receipt of the merchandise requested, receiving copies of the purchase order will be signed by the Department Head and forwarded to the Accounting Office for processing.

Payment to the vendor will be made by the Accounting Office and withdrawal will be charged to the account for Foundation orders.

On a monthly basis, withdrawals will be summarized by the Accounting Office and forwarded to the Foundation Office for reimbursement. An ACH transfer will be credited to the account and charged against the Foundation fund.

One copy of each equipment order will be sent to the University Inventory Control Office by the Accounting Office following payment to the vendor in order to record and label the equipment as a part of the University inventory system.

3. Requests for Withdrawal of Funds for Salary or Wage Payments to Employees or Students.

Requests for withdrawal of Foundation funds to make salary or wage payments must originate with the individual making the commitment to pay Ball State University employees or students for services. The form must be countersigned by the individual who has responsibility over the person submitting the request, and submitted to the Foundation for certification of sufficient funds, review of required documentation approval and payment.

Each recipient must be hired in accordance with University employment procedures and be assigned to that department's budget. The department or area requesting payment will be responsible for processing the appropriate payroll appointment form. Foundation reimbursement will be made to the University's department budget. The individual will receive a normal University payroll check from the Payroll and Employee Benefits Office.

The requestor will specify that the Foundation transfer funds via ACH back to the department account. A Request for Withdrawal should be
submitted along with a copy of the Financial Records System (FRS) page which provides proof of payment by the University. The appropriate budget transfer will be processed to adjust the departmental budget equal to the salary or wage payment.

4. Requests for Withdrawal of Funds for Approved Travel.

a. If the request for reimbursement for travel expenses is from Foundation funds, the request must be supported by the completed, original, white copy of the "Authorization For Travel", Form B-27, accompanied by original receipts for lodging, meals and transportation.

b. If the request requires reimbursements be split between University funds and Foundation funds, then the following must be met:

(1) The source of funding must be clear from the outset, the original "Authorization for Travel," Form B-27, must indicate the maximum amounts authorized for payment from the University and from the Foundation. All completed University and Foundation paperwork must be sent to the Accounting Office first. The Accounting Office will forward the appropriate documentation to the Foundation for processing once the University’s obligation has been met.

(2) When funding is split, the University funds will be requested first, utilizing normal reimbursement procedures. The original white copy of the B-27, appropriate receipts to document expenses for which University reimbursement is requested and the signed copy of the "Travel Expense Voucher," Form B-111, will be submitted to the University Accounting Office for reimbursement.

(3) Requests for additional reimbursements from Foundation funds will be submitted utilizing the "Request for Withdrawal of Funds From Ball State University Foundation" form, countersigned by the individual who has responsibility over the person submitting the request and submitted to the Foundation for certification of sufficient funds, required documentation and approval.

(4) Requests must be supported by a copy of the B-27, copies of receipts submitted to the University Accounting Office, original copies of additional receipts not submitted to the University Accounting Office (such as receipts for meals), and a completed copy of the B-111 indicating those expenses paid for by the University.

(5) Where split funding is involved, University cash advances will be
limited to amount of approved travel costs to be paid from University funds. No monies will be advanced from Foundation funds where split funding is involved.

5. **Scholarships and Student Awards**

a. Scholarship payments from foundation funds are requested on the Scholarship Authorization Form (SAF).

b. The approved amount to be awarded each academic year is reflected on the SAF.

c. Scholarship recipients must be chosen according to the criteria established for that scholarship.

d. The SAF should be filled out, signed, and submitted to the foundation by the published deadlines.

e. The student's account is credited with the scholarship by the Office of Scholarships and Financial Aid. The amount credited to the student may be affected by other assistance that the student is receiving, or by adjustments to the student's account, such as withdrawal from classes. The foundation is billed for scholarships by the Office of Scholarships and Financial Aid following the end of each semester. The amount billed against the fund will be the amount actually credited to the student.

f. Awards are processed through the University and then reimbursed from the Foundation. A Request for Withdrawal should be submitted along with the Financial Records System (FRS) page indicating the disbursement to the student.

g. This process also applies to Faculty and Staff.