



Western Oregon University Foundation Foundation Expenditures and Discretionary Funds Policy

December 1, 2012, Revised November 2017

I. GENERAL

The Western Oregon University Foundation (the “Foundation”) is a charitable corporation organized under Section 501(c)(3) of the Internal Revenue Code. The Foundation’s general purpose is to receive and administer private contributions made in support of Western Oregon University (“WOU”). Donations to the Foundation will be used to advance the mission of the Foundation, which exists to serve and strengthen relationships and provide resources in support of the mission of WOU.

II. PURPOSE

The following policies and procedures will be applicable to all expenditures made from funds that have been deposited in the Foundation. The Foundation recognizes the importance of private gifts in providing WOU colleges and departments the flexibility needed to achieve their goals and objectives. This policy is designed to provide WOU the maximum amount of latitude to address its goals and objectives while at the same time maintaining the Foundation’s fiduciary responsibility inherent in acceptance of donor funds. All expenditures of the Foundation funds must be consistent with the mission of the Foundation and the IRS code and, in the case of restricted funds, consistent with the donors’ intent.

III. POLICY

The general principle governing expenditures from Foundation funds is that all expenditures must specifically benefit WOU, its colleges and departments, or otherwise benefit WOU in fulfillment of its mission. All disbursements must meet these requirements: 1) adhering to the legal requirements for the WOU Foundation as a 501(c)(3) corporation; 2) maintaining the highest ethical standards; 3) conforming to the stipulation or restrictions made by the donor; and 4) meeting the tests of public examination as to appropriateness.

A. All expenditures incurred through the Foundation will serve to advance the mission of the Foundation and will be within the intent, guidelines and purpose as designated by the donor. All expenditures will be consistent with the established intent, guidelines and purpose of the fund as designated by the donor.

B. The Foundation Board of Trustees, as governed by its bylaws, are the only persons authorized to create a liability of the Foundation. WOU personnel may not authorize vendors to charge purchases to the Foundation without prior approval of the Foundation. Funds must be available and in the Foundation account before checks are written.

C. All WOU program expenditures must be appropriately documented by invoice or receipts, or the attestation of the individual claiming reimbursement if other documentation is not

applicable. All withdrawal requests must include a thorough and complete description of the expenditure and how it relates to the department's support of WOU. Expenditures will be reviewed and approved with signatures of at least two WOU representatives on each Foundation withdrawal request form. As applicable, these signatures are generally from the Program Head and the Department Chair and/or the Vice President, Dean or Director. Signatures shall not be from two people with familial or domestic ties. If the authorizing signatory is also the payee, the immediate supervisor, Provost or President or designee's signature is also required. *Students are not allowed to authorize expenditures from Foundation funds.*

D. The completed and approved withdrawal request form, along with accompanying receipts and supporting documentation, will be submitted to the Foundation accounting designee to issue the check. The Business Operations and Finance Manager will sign the request for payment and the Executive Director of the Foundation will sign the check. All checks of \$5,000 or more require the signatures of any two of the persons authorized by the Foundation, per the current Corporate Resolution. Additionally, for any check of \$100,000 or more, at least one of the signatures must be that of an authorized at-large Foundation board member.

E. Withdrawal request forms will be submitted no later than sixty (60) days after the actual transaction date or the last day of travel for expenses related to travel, but should be submitted as quickly as possible.

F. All expenditures will be used by or for the benefit of WOU in fulfilling its mission. Under no circumstance will expenditures be of a personal nature or provide personal benefit.

IV. DISCRETIONARY FUNDS

*The term "discretionary" should be construed to mean that these funds are used, at the discretion of the college or department head, to advance the work of the college or department and NOT for the personal benefit of individual employees or groups of employees. These funds are available for items and activities that cannot be paid for from state funds that advance the mission of WOU. Expenditure of discretionary funds should ultimately enhance our ability to serve WOU's mission and goals. **In addition to the above requirements for expenditures from the Foundation, Discretionary Fund expenditures must also follow these additional policies and procedures:***

A. Expenditures must additionally be approved by the Provost for Dean's discretionary funds, and by the President for Provost's discretionary funds. The President's discretionary fund is allocated by the Foundation Board of Trustees, and therefore all expenditures from this fund will be authorized by the Executive Director of the Foundation.

B. All discretionary fund expenditures are subject to periodic review by the Foundation Finance Committee or Executive Committee.

V. ALLOWABLE EXPENDITURES

As a general principle, all expenditures must be related to official WOU business and must provide a distinct benefit to WOU. Official WOU sponsored events and functions must support WOU program objectives and must carry the approval of WOU leadership: President, Provost, Dean or Vice President.

The following list of allowable expenditures is not to be considered all-inclusive:

- 1) All purposes consistent with the intent of the donor, subject to appropriate compliance with all applicable portions of the Internal Revenue Code.
- 2) General WOU program and project expenditures which support and advance the mission and goals of WOU and students.
- 3) Student Financial Aid in the form of scholarships, emergency student aid and financial assistance to students engaged in special projects and programs. This may include payment for student work as part of an academic project or WOU program. This does not include student loan payments.
- 4) Expenditures for WOU personnel to attend functions or events when such attendance is required by WOU or the Foundation.
- 5) Travel expenditures for WOU personnel or official guests of WOU to campus must be approved by the President, Dean or Vice President. Foundation funds should only be utilized for travel if there are not state funds available for use. Travel expenses could include such purposes as meeting with alumni, donors, potential donors, prospective students or employees, or engaging in WOU business. Costs of transportation, lodging, meals and necessary miscellaneous expenses are included.
- 6) Awards in recognition of WOU personnel or students. A clearly defined selection process must be established for such awards and must be approved by the appropriate Dean, Vice President or Director. Gifts or awards in recognition of services to WOU, such as retirement, must be pre-approved by the appropriate Dean or Vice President.
- 7) Hospitality and hosting expenditures incurred as the result of cultivating donors or prospective donors, including special recognition, flowers, meals, special events and travel. Catering and hosting expenses for WOU or Foundation sponsored events, which may include attendance of WOU personnel, students, alumni, donors or prospective donors.
- 8) WOU staff parties, functions or retreats for the purpose of planning or promoting employee morale. Expenses are allowed for facility or meeting room usage, actual food and beverages including catering and gratuities. Party decorations and flowers for such events will not be paid by Foundation funds. An agenda (when applicable) and list of attendees at social/ WOU-related, Foundation funded events is required to be attached to the withdrawal request form.
- 9) Membership dues, licenses, certifications, professional dues and publication expenses which enhance WOU personnel's ability to perform position duties. Individual dues and social memberships are allowable only with approval by the President, Dean or Vice President. These types of expenditures may be monitored periodically by the Executive Director of the Foundation to ensure that participation in these activities has been beneficial towards advancing the mission and goals of WOU.
- 10) Honorariums and consulting expenses which expressly do not constitute payroll wages or compensation of WOU personnel.

VI. NON-ALLOWABLE EXPENDITURES

The following list of non-allowable expenditures is not to be considered all-inclusive:

- 1) Expenditures which do not meet the test of legal, ethical or public perception of appropriateness.
- 2) Expenditures without appropriate support documentation or available monies.
- 3) Expenditures that provide a personal benefit.
- 4) Gifts of a personal nature to WOU personnel or students, including birthday, anniversary, wedding or special occasions. The only allowable exception would be bereavement and illness gifts. Gifts to donors and alumni must pass the IRS charitable contributions substantiation and disclosure requirements.
- 5) Fees for campus parking permits, late fees, fines for parking or traffic infractions, or expenses related to any illegal actions.
- 6) Salaries or wages to faculty, staff, students and/or other full or part-time employees of WOU is not allowed. Such payments must be processed through WOU payroll office unless significant justification can be made that the employee is operating as an independent contractor. Reimbursement to WOU for salaries or wages paid by WOU may be allowed with approval of the Provost, Dean or Vice President.
- 7) All state and federal grants or research contracts must be processed through the University Sponsored Research and Projects Office and the University Business Office.
- 8) Expenditures from fees and income from conferences, camps or events held by WOU departments or programs in/on WOU facilities or property. These transactions must be processed through the University Business Office purchasing system.

VII. EXCEPTIONS

Exceptions to this policy must be approved by the Foundation Executive Director, and all exceptions must be consistent with Foundation bylaws.

VIII. POLICY AMENDMENT AND REVIEW

The Foundation Finance Committee holds the primary responsibility for review and recommended amendments to this policy and must approve any subsequent changes. This policy shall be reviewed to ensure no conflict exists with the Foundation bylaws or other applicable state or federal laws. In the event of a conflict, the Foundation Bylaws will override this policy. To amend this policy, a written amendment shall be prepared by the Finance Committee and submitted to the Foundation Board of Trustees for review and approval.