



Winthrop University Foundation Operating Manual

Policies, Procedures & Practices
Updated September 2014

Contents

Introduction.....	3
Asset Management.....	4
Funds Administration.....	4
Establishing New Foundation Funds	6
Working with Winthrop University Departments, Divisions and Constituents	7
Private Grants	7
Memorial and Tribute Contributions	7
Deposits	9
Types of Asset	9
Types of Deposit.....	9
Fund Number and Name	10
Cash	10
Checks.....	10
Credit Cards	10
Stocks/Appreciated Securities.....	11
Asset Transmittal Form: Instructions.....	11
Name and Address of Donor/Payer	11
Signature of Fund Administrator	11
Prepared By.....	11
Gifts of Real Estate	12
Gifts in Lieu of Honoraria.....	12
Pledges.....	13
Receipts, Acknowledgements, and Quid Pro Quo.....	13
Prior Approval for Solicitations.....	13
Receipting Rules	13
Spending Available Monies.....	14
General Disbursement Policy – Applicable to all Funds	14
Authority and Responsibilities.....	16
Travel and Entertainment Reimbursement	17
Business meals away from home:	17

Receipt Documentation Guidelines.....	19
The following guidelines are applicable to all requests for payment/reimbursement	19
Completing the Disbursement Request Form	19
Payee Information	20
Reason and Purpose	20
Requestor Information	20
Approval.....	20
Completing the Expense Reimbursement Form.....	21
Payee Name and Fund Number.....	21
Organizing your Expense Reimbursement Request.....	21
Purchase of Goods and Services from Vendors	22
Scholarships, Awards, Fellowships or Assistantships	23
Scholarships	23
Responsibilities of Scholarship/Award Recipients	24
Payments to Independent Contractors/Vendors	25
Confidentiality and Winthrop University Foundation Records.....	26
Appendix Contents.....	27
Glossary	27
Library of Forms	27

Introduction

The Winthrop University Foundation, Inc. (WUF or the Foundation) is a non-profit institutionally-related organization responsible for accepting, managing, investing, administering, and disbursing private support for the benefit of Winthrop University.

In 1973, the State of SC certified the Foundation under its current name: the “Winthrop University Foundation, Inc.” The Foundation is designated as a tax-exempt, charitable organization under Section 501(c)(3) of the Internal Revenue Code.

The mission of the Winthrop University Foundation, Inc., which is governed by a volunteer board of directors, is to “support and enhance Winthrop University by encouraging alumni and friends to provide private funds and other resources for the University’s benefit, to manage those assets, and to provide volunteer leadership in support of the University’s objectives.”

Please note that this document references both board-adopted policies as well as standard operating procedures for Foundation operations and activities. We have included an Appendix, Glossary, and Library of Forms for your convenience as these documents are often referred to in the pages that follow.

We welcome your inquiries and are happy to share additional information with you. Please contact us with any questions you have about the operating guidelines shared in this document.

We invite your call or visit:
803/323-2229 | 302 Tillman Hall

Asset Management

The Foundation manages many types of assets for the benefit of Winthrop University. These assets may be received in the form of cash, securities, planned gifts, or pledges. Each asset type is managed according to specific guidelines outlined in our Gift Acceptance Policy, found in Appendix A.

Also outlined in the Gift Acceptance Policy are the current rules governing investment, spending, and managing assets for the Foundation. This policy is periodically reviewed and updated by the Winthrop University Foundation Board in conjunction with recommendations from staff and as informed by industry best practices and changes to legislation or IRS rules.

Funds Administration

Please see the Glossary included in the Appendix for full definition of vocabulary and terms applicable to Foundation and Advancement activities.

The Foundation accepts and manages many types of gifts, including endowments, annual restricted funds, split-interest accounts, and a variety of planned giving vehicles. Annually, the net spendable income from endowments (as determined by the Spending Rule set by the Foundation Board of Directors) is released for current or future use.

For non-endowed funds, no distinction is made between principal and income, as both gifts and income, if any, are available for use.

Annual Restricted Funds are not invested and operate as declining balance funds in a fashion most similar to a checking account.

In order to ensure compliance with donors' restrictions on the use(s) of their gifts, the Foundation practices fund accounting, with each fund assigned a Fund Administrator in the department, college, or division that the fund was established to support.

Fund Administrators must be employees of Winthrop University, the Foundation, or the Eagle Club. The Fund Administrator, in conjunction with his or her supervising Dean, Director or Vice President, is responsible for approval of disbursement requests to obligate

monies for the purpose(s) set out by the donor in the related Deed of Gift (DOG) that defined the fund at its inception.

In most cases, the wishes of the donor(s) clearly articulate the criteria for determining a fund's restricted purpose. In some instances, funds are established for the general use of a given department, school, or program, with no specific donor restrictions beyond that of general support. Such funds are expended at the discretion of the Fund Administrator, within the guidelines established in the Disbursement Policy for the Foundation.

Fund descriptions are available upon request and will include the official fund name, any existing selection or spending criteria and, when appropriate, donor names. Information on all funds is shared annually with Fund Administrators at the Scholarship & Foundation Fund Summit held in the spring semester of the academic year.

The Winthrop University Foundation works in conjunction with the Winthrop University Real Estate Foundation (a separate 501(c)(3) tax-exempt, charitable organization) which manages gifts of real property for the benefit of Winthrop University. The Winthrop University Real Estate Foundation (WUREF) accepts gifts of real estate and manages them until such time as they are liquidated and accrued to the benefit of Winthrop University via deposit with, and allocation by, the Winthrop University Foundation. In some cases, the Winthrop University Real Estate Foundation manages properties with rent or other income benefitting a designated purpose for Winthrop University via deposit and disbursement through the Winthrop University Foundation.

Establishing New Foundation Funds

A new fund in the Foundation may be established for any purpose that falls within the Foundation's mandate to further the mission of Winthrop University. The Foundation cannot establish funds for programs or purposes that:

- involve contract deliverables, fees-for-services, tuition for a specific student, or sales of merchandise;
- could jeopardize the Foundation's tax-exempt status.

When monies are received to create a new fund, the appropriate paperwork must be completed to establish an agreement between the donor(s) and the Winthrop University Foundation for the funds' use.

In cases where funding is received in advance of the formal paperwork being completed by gift solicitors, monies will be deposited into a Foundation Holding Account, where they will remain separate from the investment pool. Such funds will remain unallocated until the Deed of Gift is fully executed with the donor, and the monies are transferred into the named fund for which they were given.

Please see Appendix D: the Standard Operating Procedure for Establishing a New Fund and Form WUF-A for more information.

Working with Winthrop University Departments, Divisions and Constituents

The Winthrop University Foundation works collaboratively with Winthrop's Division of Institutional Advancement to support efforts related to fundraising and solicitation of private gifts to support the University.

Any solicitation for gifts to be received by the Winthrop University Foundation must receive prior approval and calendaring from the Division of Institutional Advancement. Having your solicitation calendared and approved in advance is vital to allow appropriate receipting, and remain in compliance with auditing standards of the Foundation. Receipting details and *quid pro quo* must be established prior to the solicitation commencing so that gifts are receipted and acknowledged in a seamless manner without delay. *Quid pro quo* is discussed on page 13 of this manual in more detail.

This procedure ensures that donor information is documented appropriately, gifts are credited properly, and that all receipting for gifts by the Foundation remains in compliance with current IRS regulations and are fully deductible by the donor to the extent provided by law.

Private Grants

Any grant request to a private foundation or corporate giving department that requires use of the Winthrop University Foundation Federal Tax ID Number and receipting or disbursement activity must be approved and coordinated in advance of submission with senior management of the Foundation.

Memorial and Tribute Contributions

Memorial or Tribute Contributions are those gifts given in honor of a person (or persons) to celebrate a special event or accomplishment, or in memory of a person (or persons) who have passed away.

As faculty and staff become aware of the intention to make memorial or tribute gifts, it is extremely helpful for the Foundation to receive advance notification so that these gifts will

receive special handling as they arrive. This includes publishing formal acknowledgements to the recipient, their family member(s) when appropriate, as well as the gift donor.

The Foundation requires the following information to acknowledge these special gifts:

- full name of honoree or decedent;
- name and address of spouse, family member(s), or next of kin to be informed of memorial or tribute gifts;
- reason for tribute; and
- Foundation Fund name and number to be credited.

Please call the Foundation office 803-323-2229 and speak with any staff member to share information about anticipated Memorials and Tribute gifts.

Deposits

This section includes important information about how to deliver contributed funds to the Foundation for deposit. Please read carefully so that your division or department's process will be in compliance with the Foundation's internal control requirements.

Types of Asset

Each type of asset requires a separate form.

- All gift assets, including cash, checks and all negotiable securities received by a Winthrop employee, must be delivered in person to the Foundation Office to expedite processing and to ensure receipt by the Foundation. **Please DO NOT send cash via Campus Mail.**
- All assets delivered to the Foundation for deposit should be accompanied by a Foundation Asset Transmittal Form.
- Winthrop employees assigned the responsibility for delivering gifts to the Foundation must be prepared to wait for verification of the transmittal and a signed verification of receipt of the gifts.

Contact the Winthrop University Foundation for further information on types of assets to be deposited if needed.

Types of Deposit

The Foundation accepts two categories or types of fund deposits: gifts and non-gifts.

- **Gifts** are contributions which qualify as charitable contributions less any *quid pro quo* – (please see Appendix A: Winthrop University Foundation's Gift Acceptance Policy for a detailed definition of *quid pro quo* requirements.)
- **Non-gifts** are deposits to funds which do not have a charitable purpose such as library book sales and pottery sales by art students.

- Check only one type of deposit per transaction form and indicate whether the deposit is a gift or non-gift. **Please do not list gifts and non-gifts on the same transmittal form.**

Fund Number and Name

Be sure to verify the Fund Number and Name before submitting assets to the Foundation for deposit. Transposition errors can result in the asset(s) being deposited to the wrong fund.

Note: If you are depositing an asset into a newly established fund still in process, enter the fund name and “*to be assigned*” for the fund number. Submit the Asset Transmittal with the asset, and a copy of the Fund Information Form.

Internal Controls & Types of Assets

The Foundation’s internal control procedures require that *cash gifts are hand-delivered to the Foundation Office by a courier from your department or division.*

Cash

- The cash amount will be verified by Foundation staff upon arrival of the courier. Employees assigned this task must be prepared to wait for verification.
- **The courier will be required to sign the cash verification form and must wait to receive a cash receipt to confirm the delivery.**

Checks

- Checks should be made payable to the Winthrop University Foundation.
- Checks made payable to Winthrop University or any University entity, such as a college, department, or program, which clearly represent gifts to the University may also be deposited into the appropriate Foundation fund.

Credit Cards

- All credit card gifts must be accompanied by a Foundation Gift Processing Form, complete with:
 - The credit card number, expiration date, and CID code.

- If received by phone, the signature of donor or staff member who received the information.

Stocks/Appreciated Securities

- Instructions and forms for this type of gift are available on the Foundation's website: <http://www.winthrop.edu/foundation>

Asset Transmittal Form: Instructions

Name and Address of Donor/Payer

- List each donor separately. Attach a list of donors/payers if necessary.
- Be sure to provide a current address for the donor/payer if one is not shown on the asset.
- *Names and addresses are required per IRS regulations to send gift receipts/acknowledgments to donors and to identify the correct donor record in our files.*
- In the case of corporate checks, it is especially important to specify the company representative's name and the correct mailing address, if different from the address provided on the check.

Signature of Fund Administrator

- The Fund Administrator's signature is required on every Asset Transmittal Form.
- By signing this form, the Fund Administrator indicates that he/she has reviewed the information on the form, and that the assets being deposited are not in conflict with Foundation policies.

Prepared By

- The name and telephone number (including extension) of the preparer is required, so that we can contact that person if questions arise.
- Print or type this information clearly.

Gifts of Real Estate

- Gifts of real property must be coordinated in advance with the Executive Director of the Winthrop University Real Estate Foundation. Please call the Winthrop University Foundation office for contact information and procedures.

Payroll Deductions

Winthrop University faculty and staff, Winthrop University Foundation staff, and Winthrop University student workers may make charitable contributions through payroll deduction to any fund with an active status at the Foundation.

- To initiate a payroll deduction, complete and submit a Faculty/Staff Payroll Deduction Gift Authorization Form to the Foundation office.
- The donor should indicate the total amount to be deducted semi-monthly and the fund number or name of the program to be supported. Payroll deductions are scheduled for 24 pay periods annually.
- **Payroll deductions will continue until employment terminates or until the Foundation is notified, in writing, of the donor's desire to cease the deduction.**
- Include the donor's Winthrop CWID number on all correspondence regarding payroll deductions.

Gifts in Lieu of Honoraria

An honorarium is a payment given for a professional service rendered nominally without charge. A payer may make a gift to the Winthrop University Foundation in lieu of paying honoraria, providing a letter of intent accompanies the payment from the donor identifying the payment as a charitable contribution.

If an honorarium check naming a faculty member as a payee is endorsed to the Winthrop University Foundation it will be receipted as a gift from the payee. The payee is responsible for reporting the honoraria as income for IRS purposes.

Pledges

A pledge is a promise to give a specific amount over a period of time.

General Pledge Form – A Pledge Commitment Form is found in the Library of Forms section of this document and on the Foundation website.

It is very important that the date the donor's pledge payments will begin and the frequency of the pledge reminders are clearly indicated prior to submitting the form to the Foundation.

Receipts, Acknowledgements, and Quid Pro Quo

Please note: When gifts are received by the Foundation, a receipt and acknowledgement is generated to be sent to each donor which reflects the amount of the gift and fund to which the gift was credited.. In the case of memorial and tribute gifts, special acknowledgements are sent to donors and families or honorees to announce the donation. Receipts are not sent for non-gift items such as expense reimbursements.

Prior Approval for Solicitations

It is vitally important for each department or division at Winthrop to plan gift solicitations with the larger institutional impact in mind. Thus, prior approval and calendaring is required for any gift solicitation from a Winthrop constituent group.

Receipting Rules – Quid Pro Quo

The IRS requires any donor who claims a deduction of \$250 or more to obtain a written receipt from the charitable organization stating whether any goods or services in consideration for the contribution.

- If goods or services are provided to the donor in exchange for the contribution (a *quid pro quo* contribution), the written acknowledgment **must include a good faith estimate of the value of the goods or services.** Form WUF-C must be completed prior to the solicitation commencing.
- A charitable organization must provide a written disclosure statement to donors of a *quid pro quo* contribution in excess of \$75. If donors decline any benefit to be received in

conjunction with a gift, this must be done at the time the gift is made, as prescribed by current IRS regulations:

“The charity must furnish the statement in connection with either the solicitation or the receipt of the quid pro quo contribution. If the disclosure statement is furnished in connection with a particular solicitation, it is not necessary for the organization to provide another statement when the associated contribution is actually received.”

- A **financial penalty** is imposed on a charitable organization that does not make the required disclosure in connection with a *quid pro quo* contribution of more than \$75. **The penalty is \$10 per contribution, not to exceed \$5,000 per fund-raising event or mailing.**
 - *For example, if a donor gives a charity \$100 and receives a concert ticket valued at \$40, the donor has made a quid pro quo contribution. In this example, the charitable contribution portion of the payment is \$60. Even though the part of the payment available for deduction does not exceed \$75, a disclosure statement must be filed because the donor's total payment (including the quid pro quo portion) exceeds \$75. As prescribed by the IRS, the required written disclosure statement must:*
 - *Inform the donor that the amount of the contribution that is deductible for federal income tax purposes is limited to the excess of any money (and the value of any property other than money) contributed by the donor over the value of goods or services provided by the charity, and*
 - *Provide the donor with a good faith estimate of the value of the goods or services that the donor received.*

Spending Available Monies

General Disbursement Policy – Applicable to all Funds

All funds shall be administered with due regard to:

- conditions attached to the gift and governing state and federal statutes and regulations;
- in accordance with what is reasonable and equitable, and

- in the manner in which persons of ordinary prudence would act in the management of the property of another.

Please be advised that, in accordance with Foundation policy, all disbursements are subject to public disclosure upon receipt by the Foundation of an appropriate written request.

All disbursements are subject to review by external auditors and must include written justification required for audit purposes.

The following guidelines govern all disbursements:

- The Fund Administrator is responsible for ensuring that there are sufficient monies in the applicable fund to cover requested disbursements. **Requests from funds with insufficient available balances will be returned without processing.**
- The disbursement must be for a reasonable and customary business purpose, and clearly indicate a benefit for Winthrop University.
- The use must fall within the donor's intent for the gift.
- The use must not jeopardize the Foundation's tax-exempt status.
- The use must comply with all applicable state and federal statutes and regulations.
- No individual may enter a contract bearing the name of Winthrop University Foundation without prior authorization by the Executive Director of Winthrop University Foundation.
- No expenditure - direct or indirect - may be made for political contributions, dues to social clubs, or to pay fines or penalties.
- Expenditures that result in personal benefit to the payee are inappropriate and will be disallowed.
- In accordance with IRS regulations, gifts for Winthrop employees must have a value of \$25 or less to avoid designation as taxable income to the employee.
 - Gifts for significant occasions, e.g. retirement, may be eligible for exception to these regulations but must be approved in advance by the Senior Director of

Financial Affairs. Please contact the Foundation office for additional information regarding these types of gifts **prior to incurring the expense.**

- The purchase of gift certificates or gift cards in the amount of \$25 or less for a bona fide business purpose are permissible so long as the purpose conforms with the established criteria for the fund being used to make or reimburse the purchase.
 - Each gift card recipient must be named, with contact information provided for verification of receipt following the disbursement process.
- In cases where Foundation funds will be used to reimburse the University for an expense or activity, the fund administrator will submit a completed Winthrop University Finance and Accounting Purchase Requisition Form along with copies of all related documentation to the Foundation. The Foundation will then transfer payment to Winthrop University via the University's Accounts Payable system.
- Monthly reports with balance information are available for all funds and may be queued and forwarded to Fund Administrators upon request.

Authority and Responsibilities

The University President and Vice Presidents are solely responsible for approving disbursement requests from funds for which they are named fund administrators.

- Upon assignment and approval of the appropriate Vice President, the Dean or Director of a department is responsible for approval of all Foundation disbursements from funds that benefit their faculty, staff, and programs.
- The Dean, Director or Vice President may serve as, or may appoint, a Fund Administrator for each department's funds. In the absence of the Fund Administrator, the appropriate Dean, Director, or Vice President may provide authorization for disbursements on behalf of the Fund Administrator.
- Deans, Directors, or Vice Presidents may not approve payments to themselves. An appropriate supervising official must approve the disbursement request.

Travel and Entertainment Reimbursement

*Please note: The information below reflects key points from the Foundation's Travel and Entertainment Policy, found in Appendix B. **It is the responsibility of those seeking reimbursement for expenses related to travel and entertainment to become familiar with the policy in its entirety.** We encourage you to contact us with questions **before incurring expenses** for which reimbursement/payment will be sought.*

All requests for reimbursement for travel and entertainment expenses must comply with current IRS regulations. Reimbursements that create tax consequences are considered salary supplements, which cannot be paid directly by the Foundation. This type of reimbursement must be routed via the university payroll system and billed to the Foundation through university invoicing.

- **The Foundation does not pay a per diem for travel.**
- Original receipts are required and should be taped to a sheet of letter-size paper and attached to the Expense Sheet.
 - Receipts should be dated originals and have the vendor's name printed on them.
 - Receipts must show itemized charges. IRS regulations require detailed information for such reimbursement. In the case of meals, the itemized receipt must be included with the total transaction receipt that indicates any gratuity paid.
 - Hotel bills must be itemized with business expenses indicated.
- Employees using travel agents should make the reservations and pay for them personally, then submit a request for reimbursement upon completion of the travel.
- Travel advances are not allowable.

Business meals away from home:

- Meals incurred while traveling on business are reimbursable if the travel includes being away from home.

- Meals consumed away from home but not related to business (e.g. breakfast eaten in Rock Hill prior to traveling out of town) are not reimbursable.
- Meals consumed by faculty/staff while not away from Rock Hill are not normally reimbursable by the Foundation. The IRS allows certain exceptions. The primary exceptions are:
 - A faculty/staff member has a meal with a prospective donor or volunteers.
 - A faculty/staff member has a meal with a representative of an external business related organization to discuss matters of benefit to the University.
 - Faculty/staff have a meeting with a Winthrop University business purpose and the meal is consumed during that meeting.
 - Faculty/staff attend a division or department-wide holiday party or a picnic for employees (may include their families).
 - The cost of a meal for a faculty/staff guest may be reimbursable if there is a clear business purpose, rather than a personal or social purpose for the guest's attendance (tax standard states: "reimbursable if impractical to entertain for the business purpose without the guest").
 - Receipts for meals must clearly indicate the names of all who attended the meal and the receipt documentation must state the relationship of each person to Winthrop, the business purpose and expected benefit of the meal to Winthrop.
- The IRS does not consider the following meals to be reimbursable:
 - Meals furnished to promote goodwill or boost morale.
 - Meals that have no business benefit to the University.
- Limits and rules related to the purchase of alcohol can be found in the Travel and Entertainment Policy in Appendix B.
- Travel expenses incurred by or for the benefit of a nonresident alien must comply with all aspects of the current policy statement.

Receipt Documentation Guidelines

For detailed instructions, please refer to the Foundation Travel and Entertainment Policy in Appendix B.

The following guidelines are applicable to all requests for payment/reimbursement:

- **Foundation funds may not be expended for first class travel.**
- Disbursement/reimbursement requests must be submitted within 90 days of the date expenses were incurred.
- All requests for reimbursement must constitute a reasonable and customary business purpose as recognized by the IRS.
- Travel expenses may include lodging, airfare, mileage, gas, taxi fares, tolls, parking, charges for business use of hotel telephone or fax, meals and tips.
- The Foundation reimburses the least expensive method of travel, including analysis of rental car expense versus mileage reimbursement for authorized business trips. The Foundation reimburses mileage at a rate consistent with the SC state reimbursement rate. Your travel itinerary including any meeting or conference agenda/schedule must be attached.
- Receipts for meals must clearly indicate the names of all who attended the meal and the receipt documentation must state the relationship of each person to Winthrop, the business purpose and expected benefit of the meal to Winthrop.

Completing the Disbursement Request Form

- Original receipts and invoices and any other pertinent documentation must accompany all Disbursement Request forms.
- Receipts should be dated originals and have the vendor's name printed on them.
- Receipts must show itemized charges. IRS regulations require detailed information for such reimbursement.

- In the case of meals, the itemized receipt for food and beverages ordered must be included along with the total transaction receipt that indicates any gratuity paid.
- Receipts should be taped individually onto a blank sheet of paper, suitable for copying/scanning.
- Receipts and all other forms of supporting documentation should be attached to the Disbursement Request Form.

Payee Information

- The request must provide the payee's complete name, Social Security Number (SSN) or Employer Identification Number (EIN), Winthrop ID number (if faculty, staff, or student), and a complete mailing address.
- Payments to new vendors require a completed form W-9 prior to disbursement.

Reason and Purpose

Please note: This section is vital for audit purposes and must be detailed enough to explain the expense, its business purpose, and the benefit to the University.

- Names of all attendees and their relationship to Winthrop (whether faculty/staff/students, donors, alumni, prospects, or other guests) should be clearly documented on the disbursement request documentation.
- We have provided a template for your convenience in collecting and reporting attendee information (included in the Appendix as Form WUF-D2.)

Requestor Information

This section should indicate the name, campus address, and telephone extension of the person initiating the request. The Foundation Office will contact this person if additional information is required.

Approval

No person may authorize a payment to themselves. An appropriate supervising official must approve the disbursement request. The authorized Fund Administrator and the appropriate Dean, Director, or Vice President must sign **all** Disbursement Requests.

Completing the Expense Reimbursement Form

This form must be attached to a Disbursement Request Form whenever an individual is reimbursed for out-of-pocket expenses such as travel, supplies, books, or dues. Original receipts must accompany all expense sheets.

- **Foundation policy does not allow payment of per diem.** All travel and entertainment expenses must comply with IRS regulations and state the Winthrop University *business purpose* for reimbursement.

Payee Name and Fund Number

Please note: The Payee, the Fund Administrator, and the supervising Dean, Director, or Vice President must sign the Certification of Expenses and Expense Documentation Forms.

The payee and approving official may not be the same individual.

- This information should be the same on both the Disbursement Request Form and the Expense Sheet.
- Verify this information to ensure expenses are charged to the correct fund.
- Date, Description, and Travel Origin: For all expenses, the description should be complete and concise.

Organizing your Expense Reimbursement Request

- Organize receipts by date and expense type. Tape them in that order to a plain piece of paper.
- Total expenses by date and type, then transfer amounts to the appropriate line and column on the Expense Certification Form.
- Highlight the amount on the receipt to be reimbursed and indicate expense type if it is not clearly evident. Receipts in foreign currency must refer to the exchange rate used and have the U.S. dollar equivalent written on each receipt.

Purchase of Goods and Services from Vendors

Please note: The vendor (payee) cannot be an employee of Winthrop University or an affiliated organization.

Whenever possible, purchase of goods and services should be made utilizing the University's purchasing and procurement function. A Foundation fund may be the source of funding for a transfer to a University budget account. **Please contact Foundation staff about initiating this type of payment.**

- A Disbursement Request Form (WUF-D) and the original invoice(s) are required for all purchases and reimbursements. The original invoice must have the initials of the individual authorizing payment, with the phrase "ok to pay." Please see the example provided in the Library of Forms.
- An invoice must accompany payments to individuals for services.
- Payments to nonresident aliens must follow the policy as stated in **Payments to Independent Contractors/Vendors** on page 24.
- For payments relating to a reception, events, or any group meeting or gathering where food or refreshments are served, a copy of the invitation or announcement should accompany requests for payment. Details such as date, time and reason for the event are required.
- A list of attendees is required. We have provided a template for your convenience in collecting and reporting attendee information (included in the Appendix as Form WUF-D2.)
 - If a list of attendees is not available or practical, the fund administrator must identify the group invited and approximate the number attending.

Scholarships, Awards, Fellowships or Assistantships

- All payments to students must be processed through the appropriate University account.
- Monies can be transferred from a Foundation fund to a University account for this purpose providing the transfer is in compliance with current University and Foundation policy.

Scholarships

Scholarship information for each academic year will be released at the Scholarship and Foundation Fund Summit convened during spring semester to the Deans, Athletic Director, and other awarding officials for awards available for the following academic year, e.g. 2014-15 award amounts were released at the Scholarship Summit held on 2/24/2014.

- For endowed scholarships, the amount released will reflect the calculated disbursement according to the current spending rule for endowments.
- For annual restricted accounts, the total available balance will be announced.
- Scholarship criteria, including the maximum annual amount to be disbursed, the number of recipients, and other awarding detail will also be shared annually.

The Winthrop University Office of Financial Aid has oversight and administrative responsibilities for applying scholarships for students.

- Some scholarships are designated for awarding by a scholarship committee or by deans or department chairs. These scholarships must be reported to Financial Aid so that student accounts will reflect the award, and so that all scholarship recipients may be included in the final list of recipients compiled for donor stewardship activities.
- All student scholarships will be reflected on student financial accounts or, in select cases, may be posted through student payroll when appropriate. Except in cases of funds that allow for specific expense reimbursement, no checks will be issued directly to students.
- The Office of Financial Aid will share a census of recipients, including demographic information, award amount, and official fund/award name, with

the Division of Institutional Advancement and the Winthrop University Foundation each year.

Responsibilities of Scholarship/Award Recipients

Each recipient of a scholarship is required to participate in the annual Student Scholarship Thank You Note Project so that the Foundation and Institutional Advancement may provide comprehensive stewardship for fund donors. Students who fail to meet this requirement will not be eligible to renew scholarship support at Winthrop, nor qualify for future support until such time as this requirement is met.

For more information about fund stewardship and responsibilities of student scholarship recipients, see the full Gift Acceptance Policy in Appendix A.

Payments to Independent Contractors/Vendors

To request payment for services rendered, the following guidelines are applicable:

- Payments for services must be made directly to the individual who performs the service.
- The Foundation will issue an IRS Form 1099 to the recipient for income tax purposes.
- Disbursement Requests must contain the individual's full name, permanent address used for income tax purposes, Social Security Number (SSN), or taxpayer identification number.
- An IRS Form W-9 completed and signed by the individual must be submitted with the Disbursement Request for new vendors in order for processing to commence.
- According to South Carolina university system policy, payments for services cannot be made directly by the Foundation to any employee of Winthrop University or an affiliated organization.
- Payments to nonresident aliens as "independent contractors" or as honoraria or reimbursements must be processed through Winthrop University Accounts Payables to ensure compliance with all IRS regulations and federal laws.
- Monies from a Foundation fund designated for the expense purpose may be transferred to an appropriate Winthrop University budget account to offset these expenses.
- The Foundation's **Conflict of Interest** policy (included as Appendix D) is applicable to all contracting and vendor expense payments. Please contact the Foundation office to discuss contracting that could potentially involve a family member or personally benefit the requestor. Written bids from several parties, including the family member, are required prior to contracting. As well, the requestor must have the business arrangements approved in advance by the appropriate supervising official. **Please contact Foundation staff for assistance if you believe a Conflict of Interest exists or has the potential to exist.**

Confidentiality and Winthrop University Foundation Records

A successful partnership between Winthrop University and the Foundation is based on establishing trust and accountability. The Foundation, as a institutionally-related organization of Winthrop University, acknowledges and affirms the importance of public scrutiny of its financial affairs. The Foundation's ability to assure donors and prospective donors that their personal or financial information will be held in confidence is essential to fulfilling its primary mission of accepting, managing, and disbursing private support for Winthrop University.

Upon receipt of a specific request in writing, the Foundation will provide financial information such as expenditures from Foundation funds, documentation regarding completed business transactions, and information about the investment and management of Foundation assets. Protected proprietary information of the Foundation or a third party will not be included. The Foundation will furnish this information in a format and cost that is reasonable to the requesting party. The Foundation will not, however, release any record or information that includes personal or financial information about a donor, alumnus, prospective donor, volunteer, or employee.