

GENESEO

THE GENESEO FOUNDATION, INC. DISBURSEMENT POLICY

The Geneseo Foundation, Inc. (the “Charity”), a not-for-profit organization organized in the State of New York, encourages the solicitation and acceptance of gifts to further and fulfill its mission as SUNY Geneseo’s charity. “Dedicated to learning, SUNY Geneseo is a residential public liberal arts college with selected professional and graduate programs. We combine a rigorous curriculum, transformational learning experiences, and a rich co-curricular life to create a dynamic and inclusive scholarly environment. The entire College community works together to advance knowledge and inspire students to be socially responsible and globally aware citizens who are prepared for an enriched life and success in the world.”

I. Purpose of Policy

The Charity is the principal vehicle for the receipt and administration of charitable contributions for the benefit of the College. The Charity is a not-for-profit corporation organized under the laws of the State of New York and is classified by the Internal Revenue Service as a public charity and meets the requirements of section 501(c)(3) of the Internal Revenue Code. The Charity qualifies for its tax exempt status because it operates for the benefit of a college operated by a governmental unit. As such, expenditures of charitable donations must relate to its tax-exempt purpose.

The Charity has a fiduciary responsibility to donors to ensure that funds are utilized in accordance with the terms and conditions of their gifts. This standard, commonly referred to as “donor intent,” is the primary limitation on the expenditure of Charity funds. In addition, there are restrictions that apply universally to the expenditure of Charity funds. Some of these represent controls intended to enhance the fiduciary function of the Charity, while others emanate from the various legal and administrative constraints within which the Charity operates.

The Charity recognizes the importance of private contributions to College departments and programs and the need for prudent flexibility in spending to achieve their goals and objectives. The Charity also understands that different departments and programs will have varying needs and priorities for the use of the private gift income as they continue to develop and maintain high quality programs. The policies that follow are designed to provide those College units receiving private gifts a prudent and sufficient amount of latitude to address differing goals and objectives while at the same time maintaining the Charity’s fiduciary responsibility inherent in acceptance of donor funds.

II. Responsibility to Donors

- A. *Commitment to a Donor-Centered, Philanthropic Approach:* The Charity, its staff and volunteer representatives shall endeavor to honor donors' intentions for the use and purpose of their gift and to provide respectful stewardship for gifts in a manner consistent with best practices.
- B. *Confidentiality:* Unless required by law, information concerning all transactions between a donor and the Charity shall be held by the Charity in confidence, and may be disclosed only with the permission of the donor or the donor's designee.
- C. *Anonymity:* Unless required by law, the Charity shall respect the wishes of any donor offering anonymous support and will implement reasonable procedures to safeguard such donor's identity.
- D. *Ethical Standards:* The Charity is committed to the highest ethical standards. The Charity, its staff and volunteer representatives shall adhere to the [Code of Ethical Principles and Standards](#) as adopted and kept current and available on the website of the Association of Fundraising Professionals ("AFP").

III. Implementation of Policy

- A. *Compliance:* The Charity shall comply with all local, state and federal laws and regulations, and international treaties concerning all charitable gifts it encourages, solicits or accepts. All required disclosures, registrations and procedures shall be made and/or followed in a thorough and timely manner.
- B. *Implementation:* The Vice President for College Advancement/Executive Director ("VPCA/ED") is authorized to implement this policy. Exceptions to this policy can only be made by the VPCA/ED. Requests for exceptions must be made in writing to the VPCA/ED, with written justification.
- C. *Oversight:* The Finance Committee of the Charity's Board will adopt appropriate procedures to implement this policy and conduct regular review of the policy as defined in Section VII.

IV. Definition of Gifts

- A. *Restricted Gifts:*
 - 1. are gifts which carry specific use restrictions imposed by the donor. Gifts which are given to a specific school, department, program or purpose at the College are classified as "restricted gifts" even though the gift may be for the general or "unrestricted" use of the specified College or department.
 - 2. will be expended according to the terms of applicable gift agreements, the Charity's Endowment Spending Policy and in accordance with this policy.
 - 3. are defined by donor restrictions prior to gift acceptance by the Charity in accordance with the Charity's Gift Acceptance Policy. Donor restrictions ensure that the donor's intent for which the funds are to be spent is honored.
 - a. Donors' documented restrictions will take precedence over the guidelines for disbursement of funds outlined below.

- b. College employees may not seek changes, exceptions, or amendments to donor intent with donors without the express written permission of the VPCA/ED.

B. *Unrestricted Gifts*

- 1. For the purpose of this policy, “unrestricted gifts” are defined as gifts received by the Charity without specific donor stipulations with regard to use.
- 2. Expenditures allowed from this category of gifts will be limited by applicable laws, regulations, Charity’s Endowment Spending Policy and in accordance with this policy.

V. Policies and Guidelines for Expenditures

A. *Type of Expenditures:* Expenditures must be “ordinary, necessary, and reasonable” in relation to the educational mission of the College and in accordance with the Charity’s mission; that is, to strengthen the educational programs, research activities, and public service initiatives of the College. The Charity and College require accountable officers, managers and supervisors to exercise good judgment, display just prudence, and maintain a high sense of ethics in making expenditure decisions.

B. *Approvals:*

- 1. Permission for expenditures and approvals of requests for reimbursement is documented by the signature of the VPCA/ED designee as set forth below.

Entity	Signature Required:
Programs.....	Divisional Head or designee
Faculty.....	Provost, reporting Dean or Department Chair
Dean.....	Division Head or designee
Department Chair.....	Provost or Academic Affairs Office designee
Staff.....	Reporting Supervisor or designee
VP.....	President or designee
President	VPCA/ED

- 2. If request is over \$5,000, the request must also be approved by the VPCA/ED.
- 3. All contracts must be approved by the College’s Controller and the VPCA/ED.
- 4. Disbursements will not be made unless funding is received and available for expenditure.
- 5. The Charity is exempt from and will not pay New York sales tax. The Charity will provide tax exempt certificates in advance of expenditures requiring sales tax.

C. *Allowable Expenditures:* Listed below are the general conditions required for disbursements.

- 1. Expenditures must be:
 - a. reasonable and have a legitimate business purpose;
 - b. supportive of the College’s and Charity’s mission and programs;
 - c. consistent with the purpose and restriction of the fund from which the disbursement is sought;

- d. in compliance with State and Federal laws, codes, and regulations; international treaties; and the Charity's policies and procedures;
 - e. supported with appropriate documentation including original receipts and invoices that match the amount of the disbursement request; and
 - f. approved by as outlined in Section V. Item B.
2. For the sake of clarity, a partial, representative list of allowable expenses follows:
 - a. purchases of equipment, curriculum materials, classroom supplies and other items required to meet academic and/or programmatic needs;
 - b. meals or refreshments associated with training retreats, or "working" meals where the primary purpose of the gathering is to conduct official business of the College or a particular program of the College with prior approval from divisional vice president. This includes meals or refreshments associated with hosting visitors to campus such as invited alumni, professional colleagues, lecturers, artists, etc.;
 - c. alcohol may be provided only relative to the official cultivation and stewardship of donors (current and potential) and alumni; and/or
 - d. flowers for an employee of the College or their immediate family to relay sympathy for a significant loss, get well intentions during an illness and retirement congratulations sent from a department or a program (does not include a gift for an individual who is leaving for other employment) as long as the sum does not exceed \$75.00.
- D. *Expenditures Not Allowed:* The Charity's funds are provided through the generous support of donors who are interested in supporting the mission of the College.
1. As part of the Charity's stewardship of these contributions, it will not allow disbursement for expenses:
 - a. jeopardizing the Charity's status as a Charitable Organization as defined by the Internal Revenue Code Section 501(c)(3);
 - b. benefiting the campaign of any candidate for public office or is intended to influence public legislation;
 - c. paying for, or insuring the personal benefit of an individual;
 - d. involving or creating liability exposure for the Charity or College;
 - e. failing to meet standards of equity and ordinary prudence in the management of the property of another;
 - f. making payments due to illegal actions;
 - g. distributing contributions to charitable and other organizations or agencies unless there is a programmatic relationship to the College approved by the VPCA/ED;
 - h. providing support for family members and friends to travel with staff on College business or College-sponsored events;
 - i. providing travel upgrades of any kind such as first class or preferred seating without documented justification;

- j. providing cash or gift cards;
- k. supplying or serving alcohol at events, programs, events, or functions attended by students; and
- l. purchasing
 - i. gifts commemorating a personal event such as a birthday, wedding, birth of a baby, anniversary or holiday;
 - ii. gratuities for College employees (ex. birthdays, anniversaries, appreciation/job well done, farewell, etc.) other than occasions noted above as allowable; and
 - iii. convenience items for a College department that are not directly tied to the department's mission.

E. *Documentation for Disbursement*

1. The Charity's Check Request Form ("Form") must be completed for all disbursements. Multiple payments to a single payee can be consolidated on one Form. The Form must:
 - a. be submitted not less than 10 business days prior to the requested date of expenditure. Emergency requests for payment will be considered if the request is approved and received prior to 1:00 p.m. the day before the payment is needed;
 - b. be accompanied by original documentation including the nature and description of the expenditure, its purpose and justification, and the "ordinary, necessary and reasonable" nature of the expense;
 - c. list account name and number to be charged;
 - d. include signatures for approval as outlined in Section V. Part B.;
 - e. include written explanations for any differences between amounts requested and total amounts documented by the accompanying receipt(s); and
 - f. have original receipts attached.
2. Vendor Payments: The following documents in addition to those listed in Section V. Part E. Item 1 must be attached to the Form:
 - a. original invoice;
 - b. quote from vendor, if applicable;
 - c. signed contract, if applicable; and
 - d. tax ID # of payee (W-9 equivalent).
3. *Meals, meetings, lectures, conferences or reception payments*: The following documents in addition to those listed in Section V. Part E. Item 1 must be attached to the Form:
 - a. purpose of event, agenda, registration/invitation form or program booklet;
 - b. list of attendees, if applicable; and
 - c. signed contract for services, if applicable.

4. *Travel Payments:*

- a. Any travel requests for students, faculty and staff that will be funded in whole or part by the Charity must conform to the College's state requirements.
- b. Reimbursement rates will follow the College's state requirements. Individuals may petition in writing to the College's Controller for travel expense reimbursement for expenses that exceed the State maximum permitted amount.
- c. In addition to those listed in Section V. Part E. Item 1, a State Travel Reimbursement voucher along with an appropriate supervisor's signature must be attached to the form.
- d. A supervisor signature constitutes agreement that the travel conforms with and supports the purpose of the department or program for which the Charity's funds have been allocated.

VI. Approval and Use of Charity Credit Cards

- A. The possession and use of Charity credit cards requires approval of the VPCA/ED.
 1. Approval will be reviewed annually.
 2. The Charity reserves the right to cancel any card for non-compliance with the policies and procedures stated herewith.
 3. Cardholders are personally liable for any charge that does not meet the policies stated herewith.
 - a. The use of Charity credit cards will follow all requirements of this policy.
 - b. In addition to the required documentation for payments, a monthly reconciliation form for Charity credit card transactions will be kept and submitted along with the Charity's credit card statement.

VII. Periodic Review

- A. *Regular Review:* The Finance Committee of the Charity's Board shall review this policy in even numbered years to ensure that it continues to accurately describe the policy of the Charity with respect to acceptance of charitable gifts, and shall propose to the full Board for ratification those revisions that the Finance Committee shall determine to be necessary or appropriate.
- B. *Special Review:* The Finance Committee of the Charity's Board shall initiate a supplemental review of this policy upon the enactment or promulgation of legislation or regulatory rules affecting fundraising and gift acceptance by the Charity, or prior to the start of a formal fundraising campaign. All proposed changes shall be shared with the full Board for ratification.

Approved-October 2017