



Financial Services  
Policies & Procedures Manual

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# University of Arizona Foundation

## Financial Services

The University of Arizona Foundation (the Foundation) is a non-profit 501(c)(3) corporation which operates under a Development Services and Asset Management Agreement to raise funds for the University of Arizona (the University). The Foundation serves the University by stewarding relationships, securing resources, and managing assets. To help accomplish this mission, the Foundation Financial Services Office receives, invests, and disburses the funds raised. The following is a summary of the Foundation Financial Services policies and procedures as they relate to their service to the University.

All forms referenced in this document are available at [www.uafdn.org](http://www.uafdn.org).

## Foundation Projects

### Project Types

The type of Foundation project to be established depends on the restrictions placed on the funds by the donor. Funds received that are to be expended for a specified purpose require the establishment of a restricted (Fund 20) project. Funds received that are to be held and invested for perpetuity with a payout available for expending for a specified purpose require the establishment of an endowment (Fund 40) project.

**Restricted (Fund 20):** General restricted projects begin with the suffix 20-10-#### (#### being a unique four-digit code assigned to each project). Projects established for scholarship purposes begin with the suffix 20-11-####.

**Foundation Endowed (Fund 40):** General Foundation endowed projects begin with the suffix 40-10-#### (principal) and 40-12-#### (payout) and scholarship Foundation endowed projects begin with the suffix 40-11-#### (principal) and 40-13-#### (payout). The payout is deposited into the corresponding endowment payout project on a monthly basis.

**University Endowed (Fund 40):** The Foundation manages the University endowment investments. General University endowed projects begin with the suffix 40-00-#### (principal) and 40-02-#### (payout) and University scholarship endowed projects begin with the suffix 40-01-#### (principal) and 40-03-#### (payout). Payout generated by University endowed projects is deposited into the Foundation payout projects and transferred to the corresponding University UAccess Financials payout accounts on a monthly basis. Funds received for University endowment accounts must be deposited and expended at the University.

### Endowment Projections and Payout Rate

The Board of Trustees of the Foundation establishes the payout rate for endowment projects on an annual basis. The projected payout is based on a twelve-quarter average of endowment fair market value as of each calendar year end

and assumes no additions or deductions to those balances from that date forward. Projections do not take into consideration donor specific terms and conditions which require that:

1. all or some portion of the payout be capitalized to principal or
2. have unusual or complex payout or distribution requirements

The projections are made using the 4.25% payout rate approved by the Foundation Board of Trustees.

Projected payout for each endowment is available within [www.uafdn.org](http://www.uafdn.org).

## Project Establishment and Closure

**New endowment (fund 40) project set up is completed by the Foundation.** A minimum of \$50,000 and a signed (by all parties, including the donor and a designated Foundation officer) Endowment Gift Agreement are required to establish an endowment project. Upon receipt of a fully executed Endowment Gift Agreement, the Foundation's General Counsel will route the agreement to the Foundation's Financial Services Office who will open and assign a project number to the new endowment. The Foundation Financial Services Office will then prepare a gift transmittal, if applicable, and finally provide the Division Designee(s) with a summary of the new endowment project information that includes the project number, name, purpose, and capitalization notes (if applicable), the department and division, the amount of any funds already received (if applicable), and gift commitment period and payment terms (if applicable).

**New restricted or restricted scholarship project (fund 20) set up must be initiated by campus** using the [New Project Request](#). A minimum of \$10,000 is required to establish a restricted project. Upon approval by the Division Designee and review of the completed form by the Foundation, the Foundation Financial Services Office will open and assign a project number to the new restricted project. The campus requestor and Division Designee(s) will receive an email notification that includes the project number and name.

Establishment of a **named** scholarship restricted project requires a written \$50,000 commitment. Otherwise, the requesting division/department should use an already-established general scholarship project for one-time scholarship contributions. Specifications signed by the donor and a designated Foundation officer (using the [Scholarship Specification Template](#)) must be provided with the [New Project Request](#).

### Project Closure and Maintenance:

For restricted (fund 20) projects where the balance is \$0 and no additional contributions are expected to be received for that project/purpose, please submit a [Project Closure Form](#) to close the project. (Closing a project will only make the project inactive; project activity history will remain available within [www.uafdn.org](http://www.uafdn.org).)

Any project whose balance is \$100 or less at the end of two consecutive quarters and has had no activity for those two consecutive quarters will be automatically closed and the balance, if applicable, transferred to the College's Dean's Fund for Excellence or general/discretionary project.

## Project Information & Reporting

UAFDN.org is the Foundation's web application where campus users can access request forms, policies, templates, and financial information from the Foundation's Financial Services Department. All University and Foundation employees can access [www.uafdn.org](http://www.uafdn.org) using their campus credentials (e.g. University NetID and password). To gain access to view project information, including balances, activity, fair values, projected payout, project purpose,

signature authority and designees, among other information, an Access Request Form must be submitted for approval by the unit Designee. Refer to the [UAFDN User Guide](#) for additional information regarding access within UAFDN.org.

Please see the [UAFDN User Guide](#) and/or the [Training Page](#) within UAFDN.org for a comprehensive list of services and information available within [www.uafdn.org](http://www.uafdn.org), as well as instructions on how to use the application.

# Deposits to Foundation Projects

## General Information

The Foundation accepts gifts and grants for educational, scientific, and research purposes, as well as certain non-gift transactions.

**Submission of Forms and Processing:** If all or part of any transaction qualifies as a tax-deductible donation, the campus unit must submit a [Gift Transmittal](#). A copy of the form, along with any check(s), cash, or credit card information must be hand delivered to the drop box in the lobby of the Swede Johnson Building. Scanned copies of original correspondence (including the postmarked envelope) and other appropriate supporting documentation must be attached to the Gift Transmittal. Each transaction submitted with a Gift Transmittal will be processed by Foundation Financial Services, after which it will appear within the project activity shown on [www.uafdn.org](http://www.uafdn.org).

If no portion of a transaction qualifies as a tax-deductible donation, the campus unit may submit it to the Foundation with either a [Gift Transmittal](#) form or a [Non Gift Deposit Transmittal](#) form. Transactions submitted with a Gift Transmittal will be entered into the Foundation's constituent relationship management application, Lynx; transactions submitted with a Non-Gift Deposit Transmittal will not. Units are encouraged to use the Non-Gift Deposit Transmittal unless there is a need for the transaction to be recorded in Lynx. Each transaction submitted with either form will be processed by Foundation Financial Services, after which it will appear within the project activity shown on [www.uafdn.org](http://www.uafdn.org).

**Checks: Checks must be made payable to the "University of Arizona Foundation."** Accordingly, please give donors and other payers clear instructions to make their checks payable to the correct entity. Checks payable to the University of Arizona (including colleges, departments, or other University administrative subdivisions) must be accompanied by a completed [Bursar Endorsement Request](#) form. The Foundation Financial Services office will forward the checks and completed form to the University Bursar for endorsement to the Foundation.

Submit checks and cash, along with all supporting documentation, with the Gift Transmittal or Non-Gift Deposit Transmittal as soon as possible. University and Foundation best practice requires submission of these items **within 24 hours**. Each passing day increases the likelihood of loss or theft.

**Credit Card data:** Keep credit card information collected from donors or other payers secure. Place deposits accompanied by credit card information in a sealed envelope and promptly hand deliver to the Foundation Financial Services office. Please refer to the [Foundation Credit Card Data Policy](#) for the Foundation's compliance provisions related to collecting, storing, and disposing of credit card information.

**Online:** Credit card transactions should be conducted online whenever possible in order to minimize exposure of credit card data. **Please note: The Foundation's online donation pages are set up for 100% tax deductible donations only and may not be used in situations where the donor is to receive tangible benefits including, but not limited to, registration, golf, meals, and raffle tickets.** Departments are encouraged to contact the Foundation at [FSSupport@uafoundation.org](mailto:FSSupport@uafoundation.org) to establish a Lynx Event for online processing of event-related payments.

**Gifts of Marketable Securities:** If a gift of marketable securities (i.e. stock) is expected, please follow the [Instructions for Processing a Gift of Marketable Securities](#).

**Gifts by Wire or ACH:** If a gift by wire or ACH is expected, please follow the [Instructions for Receiving a Gift by Wire or ACH](#).

**Gifts to Endowment Projects:** Only the donor can direct his/her gift to an endowment project. Accordingly, the beneficiary unit must show evidence of the donor's designation when submitting a gift for deposit to an endowment project. There are several ways this can be done:

- Attach donor correspondence indicating the gift is intended for an endowment project. This could be a note, letter, gift agreement, email or gift commitment (please see [www.uafdn.org](http://www.uafdn.org) for agreement templates).
- If the gift was made in response to a solicitation for an endowed fund, attach a copy of the solicitation.
- A donor's mention of the endowment name in the payee or memo section of the check may also be sufficient.

If the donor has directed only that the gift be used where most needed, the department must obtain the donor's consent in writing before placing the gift in an endowment project. A common procedure is to send the donor a letter explaining the department's wishes and provide a space for the donor to acknowledge consent. The signed letter would be returned to the department and attached to the deposit transmittal or transfer request. The donor may also give authorization via email.

**Gifts to Restricted Projects:** Donor correspondence and/or solicitation materials should be attached to the gift. For gifts of \$50,000 or more a Restricted Gift Agreement (see [www.uafdn.org](http://www.uafdn.org) for available templates) is recommended.

**Gifts to Scholarship Projects:** The guidelines noted above are applicable to gifts for endowed scholarship projects, as well as restricted scholarship projects. Scholarship gifts of \$1,000 or more to be awarded within 12 months (this precludes gifts to scholarship endowments) are exempt from the 6% University Development Fee (see Fees section). This should be clearly stated on the Gift Transmittal form or in an attachment.

Funds given to support a scholarship for which the donor participates in the selection of recipients in any manner (i.e., Donor-Select Scholarships) are not considered gifts and are therefore not tax deductible to the donor. Please refer to the [University Gift Policy](#) Section 12 for further information.

**Gifts from Canadian Donors:** The Canadian government requires entities to register with the Canadian Revenue Agency to receive recognition as a "qualified donee" for charitable gifts. The University is a registered/approved "qualified donee" with the Canadian Revenue Agency. The Foundation is NOT a "registered donee". Thus, all gifts from Canadian citizens or entities must be made payable to and deposited with the University. Also, Canadian procedures for acceptance of non-cash/in-kind gifts are much different than University procedures. As such, no Canadian-source non-cash/in-kind gifts will be processed by the University unless there is evaluation and pre-approval.

## Philanthropic/Fundraising Events

Proceeds from **philanthropic** events (fundraising galas, golf tournaments, donor engagement events, etc.) should be deposited at the Foundation and, in most cases, will be entered into the Lynx donor/constituent records system. Registration fees for **non-philanthropic** events (conferences, workshops, continuing education events, etc.) should be directed to a University of Arizona registration platform.

Lynx includes an online event platform that accepts registration and sponsorship payments by credit card and transmits the related transaction data directly into Lynx. To request a Lynx event with an online registration page,

campus units should (1) complete a [Lynx Event Worksheet](#) form found on UAFDN.org, and (2) submit a Charitable Event Request ticket. The ticket can be submitted at <https://uafsupport.zendesk.com/> (Philanthropy and Alumni Engagement staff) or by sending an e-mail to [support@uafoundation.org](mailto:support@uafoundation.org) (University staff). Attach the Lynx Event Worksheet and any other event-related documents to the ticket or e-mail.

Registration, sponsorship, and other event-related payments may also be made by check, wire, or cash. Deposits should be submitted with a Gift Transmittal form and accompanied by related event materials, i.e., registration forms, sponsorship materials, event flyers, etc.

The UA Foundation owns a limited number of wireless credit card terminals that can be borrowed to process payments for at-the-door registration, auction purchases, raffle ticket purchases, and other on-site event transactions. To reserve one or more terminals, please email [FSSupport@uafoundation.org](mailto:FSSupport@uafoundation.org). The staff member operating the terminal will be asked to sign a user agreement and receive training when picking up the terminal. The user agreement and training provide the rules and best practices for using the terminal and submitting deposits after the event.

**Tax deductibility:** Event-related payments are tax deductible only to the extent they exceed the fair value of tangible benefits, including food, beverages, golf, and related items. “Fair value” refers to the amount an individual would normally be required to pay for comparable items if purchased independently of the event. It is the responsibility of the unit holding the event to provide documentation to support the stated fair value of such items. Catering quotes, golf rate sheets, and restaurant menus can be used to document fair value associated with galas or golf tournaments. Other good-faith estimates of value may be provided as needed. Raffle tickets (if any) should be sold separately and are not tax deductible. See *Tax Deductibility Language for Solicitations* below for additional information.

**Corporate Sponsorships:** Corporate sponsorships are an important funding source for fundraising events and for educational conferences. The Foundation accepts only “[qualified sponsorship payments](#)” as defined by the Internal Revenue Service (IRS). For example, if the sponsor makes their payment and in return receives only tickets to the event and an acknowledgement for their sponsorship, their payment in excess of the fair value of the tickets received represents a qualified sponsorship payment and thus a tax-deductible donation. Problems arise when, instead of an acknowledgement, the recognition includes one or more of the following items that could be considered advertising for the sponsor:

- Qualitative or comparative language
- Price information or other indications of savings or value
- An endorsement or an inducement to purchase, sell or use the products or services

For example, a payment in exchange for the acknowledgement “Proudly sponsored by Joe’s Coffee” is a qualified payment, whereas a payment in exchange for an acknowledgement “Buy Joe’s Coffee, it’s the best” is not. Many sponsors wish to include additional items with their acknowledgement; the following is a list of such items that are generally acceptable:

- Logos and slogans that do not contain qualitative or comparative descriptions or endorsement of the sponsor’s product, services, facilities, or company.
- A list of the sponsor’s locations, telephone numbers, or web address.
- The sponsor’s brand or trade names and product or service listings.
- A link to the sponsor’s website from an event or conference website provided that no endorsement is included.

Speaking opportunities, vendor/exhibit space, display of company-supplied messages, distribution of company promotional materials, or distribution of gift bag items as sponsorship benefits are all indicative of advertising

benefits and require further consultation. In addition, use of University facilities or services provided by University staff are not appropriate benefits for sponsorships to be directed to the Foundation.

**Please submit a draft of any sponsorship solicitation materials to the Foundation Financial Services office at [FSSupport@uafoundation.org](mailto:FSSupport@uafoundation.org) for review prior to final printing and distribution.**

**Raffles:** It is against the law for a nonprofit organization to send raffle tickets through the US mail. This prohibition extends to accountholders who sell raffle tickets and deposit the proceeds at the Foundation. Accountholders may mention the raffle in printed materials sent through the mail and accept payments for tickets by mail, but the tickets themselves should be picked up at the event.

A raffle participant is buying a chance to win a prize. Accordingly, no part of any payment for raffle tickets is considered a tax-deductible contribution to the Foundation. This information should appear in all printed materials related to the raffle. Please attach a copy of these materials to the deposit transmittal when submitting raffle ticket proceeds for deposit.

There may be tax consequences and reporting considerations for raffle winners. Accordingly, please submit a completed [Raffle Information Form](#) prior to the event.

**Silent Auctions:** Silent auctions are usually held in conjunction with other events such as dinners or golf tournaments. At most silent auctions, a bid sheet is placed next to each item being auctioned to allow bidders to write their names or bidder numbers and bid amounts. We recommend using the Foundation's silent auction forms ([Auction Bid Sheet](#), [Auction Purchase Receipt](#), [Auction Purchase Record](#)), which facilitate easy bidding for participants and provide the required tax deductibility information.

The fair value of the item must appear on the related bid sheet. The estimated fair value is normally provided by the donor of such items. That said, the fair value of personalized or one-of-a-kind items such as autographed photos, or golf with celebrity partners, is generally equal to the purchase price; therefore, for such purchases, the amount which qualifies as a tax-deductible donation would be zero. Certain works of art may also fall into this category if there is no readily established fair market value.

**Please submit a draft of any printed materials to the Foundation Financial Services Office at [FSSupport@uafoundation.org](mailto:FSSupport@uafoundation.org) for review prior to final printing and distribution. This step will prevent problems with subsequent deposits or disbursements.**

## Tax Deductibility Language for Solicitations

The IRS requires that nonprofit organizations tell donors in writing the amount of their contribution or payment that is tax deductible. If a deposit is a payment for a fundraiser or other special event, you **must include a copy of the tax deductibility disclosure** provided to the donor with your submission to the Foundation Financial Services Office. It is extremely important that we are able to segregate true charitable contributions from "quid pro quo" exchange transactions.

As published in Section 6115 of the Internal Revenue Code, it is important to remember:

- The IRS does not distinguish between fundraising events and other events such as conferences or workshops.
- **ALL** printed materials for **ALL** events or other solicitations that take in money at the University, or the Foundation, must include the disclosure.

- If the IRS questions whether or not a donor has been informed, the burden of proof rests with the institution. If we cannot prove that the requirement has been met, **ALL** of the Foundation’s assets could be penalized, not just those of the errant department.
- The amount of the payment must be reduced by the market value (not cost) of any benefits received (i.e., meals, entertainment, T-shirts, etc.) to determine the tax-deductible amount.

The Foundation cannot process any deposits for or approve any payments related to an event unless the requirements of Section 6115 of the Internal Revenue Code have been met. Therefore, any deposits submitted or payments requested related to an event must be accompanied by a copy of the printed materials for that event. This includes payment requests for expenses, fees, honorariums, etc.

The following are examples of tax deductibility statements:

- “\$50 of the \$100 registration fee qualifies as a tax-deductible donation.”
- “None of the registration fee qualifies as a tax-deductible donation.”
- “Ticket price is \$100. Tax deductible contribution is \$40.”
- “Raffle ticket purchase does not qualify as a tax-deductible contribution.”

If no portion of the fee or ticket price for an event is tax deductible, a statement to that effect must be included.

## Gift Agreements

The type of gift agreement needed to document your gift depends on (1) how the donor intends to pay the gift, (2) what they intend to support, and (3) any special handling factors. Review the [What Agreement Do I Need](#) to choose the right gift agreement type(s). Work with your unit’s development staff and/or the Foundation Office of General Counsel to initiate a gift agreement. If you have a complex gift or still have questions, please contact Charisma Pursell at [charisma.pursell@uafoundation.org](mailto:charisma.pursell@uafoundation.org).

Gift agreements with outstanding payments are reviewed quarterly. Collectability of outstanding payments is evaluated periodically with input from development staff. In the absence of confirmation of collectability, the outstanding payments may be presumed uncollectible and written off within Lynx.

## Transactions that Should Not Be Deposited at the Foundation

- Most federal, state, local, or tribal government grants
- Payment for use of University space or services rendered by University departments/personnel
- Reimbursements/refunds related to items purchased with University funds
- Research contract payments
- Money collected from the public in general donation boxes located on University property
- Gifts from Canadian donors

# Disbursements from Foundation Projects

## General Information

**Submission of Forms and Processing:** Disbursements from Foundation projects are initiated when a [Gift Disbursement Request](#) (for disbursement from a Fund 20 or Fund 40 project) is completed. The form must be complete with proper approvals and supporting documentation (refer to *Expense Types & Documentation Requirements* below) attached before it can be processed by Foundation Financial Services for payment. Requests will be rejected, and the preparer will be notified if the form is deemed incomplete for any reason. The submitter and approver(s) of this form may track the status and progress of approval(s) within My Activity on UAFDN.org.

Vendors/payees must be created within the UAF system prior to completing a request for payment to such vendors/payees. **All payments to vendors/payees are processed via Electronic Funds Transfer (EFT).** As such, vendors/payees must also be established as an EFT vendor with the Foundation prior to receiving payment. All vendors/payees must complete an [Electronic Funds Transfer \(EFT\) Authorization](#) form prior to submission of the [New Vendor-Payee Request](#). The EFT setup process may take up to two weeks from when the EFT Authorization Form is received by the Foundation. Upon completion, all future payments to the payee will be made via EFT, unless requested otherwise. Upon confirmation the vendor/payee has completed the EFT Authorization Form, requestors should submit a [New Vendor-Payee Request](#) for a new vendor/payee. Only vendors/payees established with the Foundation (and paid within the last seven years) will be available for selection in the Gift Disbursement form.

Processing time for a request varies based on the amount being requested. Disbursements of less than \$50,000 can generally be processed in 5 to 7 business days. Disbursements ranging from \$50,000-\$250,000 can generally be processed in 10 business days. Requests in excess of \$250,000 will be paid as funds become available. However, processing time can increase substantially should you submit a request with missing, incomplete and/or incorrect supporting documentation. The Foundation can process disbursements for less than \$50,000 on a rush basis. Rush basis disbursements will be issued in two (2) business days and a fee will be charged to the project to compensate the Foundation for the additional costs of the rush processing. Refer to *Fees for Project Support* below. See the *Transfers to the University* section below for matters relating to the transfer of funds to a University account.

Payments equal to or greater than \$15,000 can also be processed via wire transfer if the EFT payment method cannot be used. The Foundation will assess a fee to the requesting department for each wire processed. Refer to *Fees for Project Support* below.

## Expense Types & Documentation Requirements

The Foundation reserves the right to refuse any request which may violate established policies of the IRS, the University, or the Foundation. Failure to comply with any of the following policies and requirements may result in delay of processing or rejection of payment. Refer to *Frequent Expenses and Requirements* below for expense types and required supporting documentation.

Federal tax law requires that all business expenses, regardless of amount, be supported by original, itemized receipts, records, or other evidence in the following manner:

- Amount clearly indicated on each receipt, showing reconciliation, if necessary, to amounts being requested

- Detailed explanation of how the expense relates to University business
- Names and University affiliation of persons being entertained

Additionally, the Foundation does not reimburse purchases made with gift cards or credits/rewards.

All contracts (including Banquet/Catering Event Orders) or agreements requiring **signature** that will be paid with Foundation project funds MUST be signed prior to the event by the Foundation’s General Counsel or a designated officer of the Foundation and provided with the request for disbursement. Refer to *W-9 vs. Independent Contractor Agreement* as well as the *Contract Payments* and *Compensation for Services* sections below for additional guidance.

When requesting partial reimbursement from both Foundation projects and University accounts, include a copy of your accepted and signed University disbursement voucher, and cover sheet, which includes the itemized amounts being reimbursed by the University. A [reconciliation report](#) showing the amount requested from the University and Foundation along with copies of any receipts submitted to the University must be included.

## W-9 vs. Independent Contractor Agreement

Either a W-9 or an Independent Contractor Agreement (ICA) must be completed and submitted to the Foundation at [FSSupport@uafoundation.org](mailto:FSSupport@uafoundation.org) prior to any services being provided. This applies to payments made directly to a vendor for services as well as to reimbursements for payment for services provided by a vendor. Use the following guidelines to determine which form is required:

[W-9](#) – If vendor is providing services where a contract exists, then a W-9 is required. A W-9 must also be provided for awards, honorariums, and receipts older than 90 days. This form has no expiration unless there are changes to name, address, tax status, etc. of vendor. This form must have all required fields completed with an original signature and date.

[Independent Contractor Agreement](#) – If a vendor is providing services (such as, catering, DJ, audio visual) where a contract does NOT exist, then an Independent Contractor Agreement is required. This agreement is valid for the period indicated on the form.

## Prohibited Expenditures

The Foundation will not make payments to/for:

Research-related expenses, such as

- Medical Research, medical supplies, compensation related to drug studies, human or animal experimentation, clinical or biological research, chemical manipulation, or experimentation
- Activities involving the use of plant/animal specimens or cadavers
- Costs related to the teaching of medical or surgical techniques
- Patient-related expenses
- Other expenses that expose the Foundation to liability risk

Personal benefits expenses/gifts, such as

- Gifts to students
- Gifts to staff or faculty, this includes appreciation/recognition gifts (including meals)
- Gifts to another college or unit (i.e., to honor a staff member)

- Gifts to donors/constituents/prospects
- Gifts to other non-profit organizations (see Contributions to Other 501(c)(3) Charities section below)
- Cultural/customary gifts or ceremonial exchanges
- Gift cards (any amount)
- Incentives (such as for survey completion, door prizes, participation, etc.)
- First class or business class airline tickets
- Celebration of life/funeral expenses for staff or outside individuals

Other expenses, such as

- Electronic communications devices (i.e., laptops, desktops, tablets, etc.) that are used with University systems to access University information
- Political contributions or expenses
- Support to student organizations/clubs
- Student-led parties or dances
- Events without a documented business or development purpose
- Services performed by a University employee
- Reimbursement for payment made by an individual to a charitable organization where payment contains a tax-deductible charitable gift amount
- Activities involving the use of pesticides, fertilizers, chemicals, or reagents
- Expenses to or for the benefit of Non-Resident Aliens, including foreign students (Funds must be transferred to and paid through the University)

Payment of such expenses is either outside the Tax Code, the Foundation's permitted activities, Board policy, or existing liability, environmental and medical malpractice insurance coverage, and is strictly prohibited. If the expense is covered by the University, funds may be requested to be transferred from Foundation project funds to cover the expense.

## Frequent Expenses and Requirements

**Advance Purchases:** An Advance Purchase Request may be required in limited situations on approved purchases. An [Advance Purchase Request](#) must be provided along with the request for disbursement when items (such as tickets, books, etc.) with a value of more than \$25 per item are purchased in advance of knowing all recipient names. It is the responsibility of the requesting unit to maintain a list of names of the individuals receiving the item(s) that can be made available to the Foundation Financial Service Office upon request.

**Alcohol:** Alcohol will not be reimbursed for guests without a valid University business purpose for their attendance. A guest list, including the affiliation of the guests to the University, must be attached. In all cases, requests to pay for alcohol must be reasonable and limited to two drinks per person.

*Business Meals:* Alcohol may be reimbursed for allowable business meals or events *with donors or with external constituents* (visiting colleagues, recruits, community leaders, consultants, etc.). Alcohol for staff/student-only (including Designated Campus Colleagues) meetings is not reimbursable. Alcohol must be served at an establishment that serves alcohol as a normal course of business. See also *Business Meals* section below.

*Events:* Events must also be held at an establishment that serves alcohol as a normal course of business or using an [approved bartender](#)/caterer and in accordance with the University's [Alcohol Policy and Regulations](#) and the Foundation's [Liquor Policy](#). If applicable, the contract (including Banquet/Catering Event Orders with

the Arizona Catering Co.) signed prior to the event by a designated Foundation officer as well as the final invoice must also be attached. See also *Events, Contract Payments and Compensation for Services* sections below. See *W-9 vs. Independent Contractor Agreement* section above if catered bartending services will be provided.

Alcohol for staff/student-only (including Designated Campus Colleagues) events is not an allowable expense unless the event has a University business purpose and benefit. Such business purposes include (1) an annual holiday or employee recognition party, (2) a Retirement party, or (3) an official college event with an agenda (i.e., beginning of semester welcome event, honorary/investiture celebration, official college graduation). In all cases, the event must be held before, during, or immediately after a workday.

**Asset Purchases Over \$5,000:** Foundation policy requires that a [Renovation Expense and Equipment/Supplies Form](#) be attached to the Gift Disbursement Request for asset purchases of \$5,000 or more that have an expected useful life of at least one year. This also includes the purchase of equipment (excluding electronic communications devices, see Prohibited Expenditures), books, furniture, supplies, etc., if the cumulative total value is \$5,000 or more. Regardless of the amount, however, it is necessary to complete a Renovation Expense and Equipment or Supplies Form for any purchase or gift that ordinarily requires the approval of Risk Management.

**Awards:** Cash awards in any amount are taxable to the recipient and will require a [W-9](#) form to be completed by the recipient and submitted with the request. Cash awards to students must go through their Bursar's account and thus, should be disbursed through the University. The only exception to this is payment for Student Emergency Awards (See *Gifts (cash)* below). Requests for awards related to employee recognition programs must be accompanied by a documented process and criteria. Awards of any amount to a University employee require the approval of the Office of Academic Affairs & Provost/Office of Business Affairs/Office of Research & Partnerships. The request can be routed for electronic approval by the appropriate office by making the applicable selection at the bottom of the [Gift Disbursement Request](#). For non-cash awards under \$100, only the name of the recipient and the University business purpose of the award is required. For non-cash awards over \$100 that are not personally inscribed, a completed [W-9](#) form must be provided. See also *Gifts* and *Prizes* below.

**Business Meals (see also Travel Meals):** The Foundation follows the University's policy [9.13 Business Meals](#). Business meals require the date and location, itemized receipt, agenda/program and list of attendees. Gratuity is limited to 20% of the after-tax total of the bill. If the receipt includes charges for other than the individual, all attendees, including names and affiliation to the University, must be listed and a detailed explanation of the University business purpose and benefit for the meal must be provided. Meals will not be reimbursed for guests without a valid University business purpose for their attendance. Business meals must be for a specific meeting or event. In all cases, requests to pay for business meals must fall within the following per person thresholds, before tax and tip (not including alcohol, see *Alcohol* section above):

- a. Light refreshments - \$15
- b. Breakfast - \$30
- c. Lunch - \$30
- d. Dinner - \$60

Meals exceeding the defined reasonable cost per person require a memo of justification signed by a Dean. The meal limits noted above are subject to change. Purchases of an on-hand supply of coffee, tea or snacks is not permitted.

**Catering:** Catering is considered a service and requires a completed contract, [Independent Contractor Agreement](#) and/or [W-9](#). Refer to *W-9 vs. Independent Contractor Agreement* section above. The [University Catering Policy](#) must be followed. For on-campus catered events, the contract (including Banquet Event Orders) signed prior to the event by a designated Foundation officer and a University-approved catering waiver, if applicable, must be attached. For all other events, the contract signed prior to the event by a designated Foundation officer must be attached. A guest

list, including affiliation to the University, for the catered event must also be attached to the request. See also *Contract Payments* below.

**Charitable Organizations/Contributions to Other 501(c)(3) Charities:** The Foundation's exempt purpose includes promoting, establishing, conducting, maintaining, and operating of educational, scientific, literary, and charitable activities, either in its own name, or in aid of or in conjunction with the University. Donors make gifts to the Foundation for this purpose and generally do not anticipate that the Foundation will in turn give its funds to organizations other than the University. Such gifts may create fiduciary responsibility and oversight concerns; therefore, it is the Foundation's general policy not to make charitable contributions to other organizations.

*Exceptions:* The Foundation, from time to time, is asked by the University to support University interests by providing gifts and making payments to other organizations to facilitate the attendance of University representatives at events sponsored by organizations which qualify under Section 501(c)(3) of the Internal Revenue Code. Such payments must be made directly from the Foundation to the charitable organization. Payments made by an individual to a charitable organization, where the payment contains a tax-deductible charitable gift amount, will not be reimbursed. In considering such requests, the Foundation will review the request to determine whether:

- Attendance at such event serves an important University purpose
- Such gift or payment by the Foundation does not violate applicable law
- Such gift or payment is administered in accordance with the rules and regulations of the IRS

All requests must be submitted on a [Gift Disbursement Request](#) prior to the event and must be accompanied by:

- A copy of the solicitation, event announcement, registration form or similar information relating to the event
- A detailed description of the University business purpose and benefit
- Guest list of all event attendees

By checking the "payment is for attendance at a charitable event" checkbox and indicating the appropriate approvers within the [Gift Disbursement Request](#), the form will be routed for the required additional approvals (Office of Academic Affairs & Provost, Office of Business Affairs, or Office of Research & Partnerships).

This policy and the exceptions thereto do not apply to attendance at events sponsored by organizations that do not qualify under Section 501(c)(3) of the Internal Revenue Code. Gifts, payments, or reimbursements of expenses related to such activities will be determined on a case-by-case basis.

**Clothing:** Purchase of clothing for staff or faculty (including Designated Campus Colleagues) is a personal expense and will not be paid for by the Foundation. Purchase of clothing for University students will be paid for by the Foundation when University branded apparel is needed to be recognized at an event or presentation representing the University. Payment requires a list of all students receiving such items as well as a list of events for which the clothing is needed. Clothing should be low cost (\$25 or less, as defined by the IRS). Purchases should be limited to the quantity needed in the immediate future.

**Compensation for Services:** Payment for services is defined as a fee for service arrangement in which the amount to be paid for a specific service, is determined by the individual or company providing the service. Payment for services is considered a compensatory payment by the IRS. Any request for such payment should clearly state as such and must be accompanied by a detailed invoice of the services being provided. Payment to an attorney must be accompanied by a [W-9](#). **The Foundation may not pay for services provided by University employees. Payments to University employees must be made through the University.**

The Foundation should pay vendors directly for services. All payments for services (including reimbursements) require a completed contract and [W-9](#) or, where there is no contract, an [Independent Contractor Agreement](#). Refer to *W-9 vs. Independent Contractor Agreement* section above as well as *Events* and *Contract Payments* below.

In addition, the IRS treats the following disbursements as compensatory payments. A completed [W-9](#) must accompany the request for:

- Any reimbursement without receipts or
- Reimbursement of expenses to UA or Foundation employees that are more than 90 days after the expense is paid or incurred.

Form 1099 will be filed with the IRS reporting all compensatory payments greater than or equal to \$2,000 in any calendar year. See also *Honorariums* below.

**Conferences:** Payment for conference registration fees must include a conference pamphlet, brochure, or other conference documentation. Also see (*Attendance at*) *Events* below.

**Contract Payments:** All contracts that will be paid with Foundation funds **must be signed by a designated officer of the Foundation**. No University employee can sign on behalf of the Foundation for any reason. To obtain Foundation approval, please email the [Contract Summary Form](#), contract, invoice, Banquet Event Order (BEO), and/or any other document that details the contract terms to the Foundation General Counsel ([brad.terry@uafoundation.org](mailto:brad.terry@uafoundation.org) and [charisma.pursell@uafoundation.org](mailto:charisma.pursell@uafoundation.org)) for review and signature.

The Contract Summary Form is a one-page summary of your event or service details that expedites the approval process by providing additional details around the nature of the event or service to ensure compliance with all University and Foundation policies.

CAMPUS PARTNERS, paying from a 20- or 40- project, should use the following:

[Event Contract Summary Form for Campus Partners](#) - For contracts related to an event, usually from a hotel, restaurant, venue, speaker, catering provider, or bartender. Services related to an event, such as florists or photographers, etc., can also be included with this form.

[Service Contract Summary Form for Campus Partners](#) - For contracts related to a service such as printing, promotional materials, mailing, auction services, software licenses, etc.

FOUNDATION EMPLOYEES, paying from unrestricted (10) funds, should use the following:

[Event Contract Summary Form for UAF Employees](#) - For contracts related to an event, usually from a hotel, restaurant, venue, speaker, catering provider, or bartender. Services related to an event, such as florists or photographers, etc., can also be included with this form.

[Service Contract Summary Form for UAF Employees](#) - For contracts related to a service such as printing, promotional materials, mailing, auction services, software licenses, etc.

Contracts must be between the Foundation *for the benefit of* (name of department, event, or group) and the provider of the service (e.g. hotel, caterer, speaker, etc.). Contracts include current and future financial obligations. Any financial obligations incurred with respect to a contract will be the sole responsibility of the respective College or Center, through projects held at the Foundation for their benefit. The Foundation may require additional assurances of financial responsibility depending upon the circumstances.

Certain contracts contain provisions requesting agreement to indemnification, hold harmless and stipulated proof of insurance requirements. The Foundation is strictly prohibited from agreeing to indemnification, hold harmless and insurance provisions in many standard philanthropic grant agreements and vendor contracts. If a vendor will not agree to remove these provisions from the contract, the campus account holder may wish to process the contract through the University's Office of Procurement and Contracting Services. Refer to the Foundation [Policy on Indemnification, Hold Harmless and Insurance Provisions in Contracts and Agreements](#).

The Foundation cannot accept any Gift Disbursement Request relating to a function that does not conform to this policy. This includes all other expenses (promotional materials, photographers, etc.) relating to the event. If you have any questions about a contract or would like us to review a contract in draft form, email a copy of the contract to our Office of General Counsel at the contact information provided herein. Generally, contracts can be signed and returned to you within two (2) business days. If a faster turnaround is required, every effort will be made to accommodate your request.

For contracts where services are provided refer to *W-9 vs. Independent Contractor Agreement* section above. See also *Events* below.

**Events:** Payments must be made directly to the vendor by the Foundation. Payment to venues for a deposit where a future event will be held requires a copy of the contract signed prior to the event by a designated Foundation officer (See *Contract Payments* above) and an invoice from the venue for the deposit amount (if not included in the contract). Final payment to the venue for the event requires a guest list, including the affiliation of the guests to the University (i.e. University staff, alumni, etc.). Provide a copy of the invitation/advertisement for any event open to the public when an attendance list is not available. All payments for services require a completed contract and [W-9](#) or, where there is no contract, an [Independent Contractor Agreement](#). Refer to *W-9 vs. Independent Contractor Agreement* above. Additional event costs, such as supplies and outside vendors, must be nominal and have a valid University business purpose and benefit. Pre-approval with the Foundation is recommended. See also *Alcohol and Compensation for Services* above.

**(Attendance at) Events-** Payment for attendance at an event must include an event flyer or brochure with pricing levels, as well as names of all individuals, including their University affiliation, attending the event. If there is a charitable gift component to the registration fee payment must be made by the Foundation directly to the non-profit hosting the event. Payment cannot be reimbursed to the individual. See *Charitable Organizations/Contributions to Other 501(c)(3) Charities* above.

**Dean Reimbursements:** The Office of Academic Affairs & Provost, Office of Business Affairs, or Office Research & Partnerships (or other personnel as designated) must approve the reimbursement request before submission to the Foundation.

**Foreign Currency Receipts:** Provide receipt along with a conversion to US dollars calculation ([www.oanda.com](http://www.oanda.com)) for each receipt as of the date the expense was incurred. The documentation supporting the exchange rate used must also be provided. Each receipt must be converted individually using the date of the receipt as the conversion date.

**Flowers:** Payments for flowers up to \$100 (total cost, including shipping and other fees and taxes) are an allowable expense in recognition of life events. Tangible items such as gift baskets, fruit baskets and meals are personal benefit items and should be paid for with personal funds.

**Gifts (non-cash):**

**Business Gifts** - Gift with a business purpose of thanking an outside (of the University/DCC) individual or organization (i.e., a thank you gift to a professional for speaking at a University engagement *at no charge*). Gifts to volunteers, including volunteer committee members, are not allowed, unless the committee member

is retiring after an extended amount of time with the University. Business gifts must be \$25 (total cost, including any taxes and/or fees) or less. Provide original receipt for reimbursement or invoice if requesting payment to the vendor directly.

**Retirement Gifts** - Gift to a University employee for years of service to the University (excluding department/unit transfers). Provide original receipt for reimbursement or invoice if requesting payment to the vendor directly. If the gift is over \$100, and not personally inscribed, a [W-9](#) must be completed by the recipient and submitted with the request. The Office of Academic Affairs & Provost/Office of Business Affairs/Office of Research & Partnerships must approve the request. The request can be routed for electronic approval by the appropriate office by making the applicable selection at the bottom of the [Gift Disbursement Request](#). See also *Events*.

**Gifts (cash):** Cash gifts are only allowed to University staff through the UA Employee Emergency Fund (taxable income limited to \$750) and to students through the Richard H. Tyler Emergency Fund (limited up to \$599 per *calendar* year).

**Honorarium:** An honorarium is a taxable nominal payment made in recognition or appreciation of acts or professional services provided where the fee is not determined by the person being paid. The individual being paid neither bargains, sets the cost, nor invoices for the cost of his/her services. The request for payment to an individual for an honorarium should clearly state the payment is an honorarium and must acknowledge the payment is not for services. A [W-9](#) form is required for all honorariums. Payments to University employees directly related to University operations such as honoraria related to research, scholarly, teaching, and outreach activities must be processed through the University Payroll system.

**International Vendors:** Request for payment to international vendors must be accompanied by documentation justifying the selection when such services can be obtained within the United States. The Foundation reserves the right to decline payment to vendors for such services and may request payment through the University. The requesting unit is responsible for associated international wire fees.

**Membership Dues:** Membership dues where there is a clear University business purpose and no personal benefit are reimbursable. The Foundation will not reimburse for memberships that can be used for personal and/or business benefit (i.e. Arizona Sands Club memberships).

**Miscellaneous:** Miscellaneous expenses include any cash payment for which no receipt can be obtained. These include tips, tolls, or metered parking. In some cases, photo evidence of such payment can be obtained (i.e. parking meter payment) and individuals should make every effort to obtain receipts for such expenses.

**Moving/Relocation Expenses:** Relocation costs for University hires should be paid through the University. Please see the University [Policy 9.14](#) for details.

**Non-resident Aliens/foreign persons:** Payment to non-resident aliens must be made through the University. Refer to [Policy 9.16](#), Payments to Nonresident Aliens.

**Printing/Publications:** Provide a copy of printed materials. If using a vendor that is providing services, refer to the *W-9 vs. Independent Contractor Agreement* section above. Note that if printed material is for a fundraising event in which donors are making a payment which includes a tax-deductible portion, the IRS 90-12 disclosure (a statement informing donors/payers how much of their payment qualifies as a tax-deductible donation) must appear on all event or solicitation materials. These printed materials should be submitted to the Foundation's Financial Services department for review before printing.

**Prizes:** Cash prizes in any amount are taxable to the recipient and will require a [W-9](#) form to be completed by the recipient and submitted with the request. Requests for prizes to contest winners must be accompanied by a

documented process and criteria. Prizes of any amount to a University employee require the approval of the Office of Academic Affairs & Provost/Office of Business Affairs/Office of Research & Partnerships. The request can be routed for electronic approval by the appropriate office by making the applicable selection at the bottom of the [Gift Disbursement Request](#). See also *Awards* above.

**Promotional Items:** All payments for promotional items should be made directly to the vendor. Items must be low cost (\$25 or less in total per recipient, as defined by the IRS) and University-branded. There must be a University business purpose and items must be available to the general population. A list of those receiving the items must be provided, if available. Purchases should be limited to the quantity needed in the immediate future. See also *Awards, Prizes* and *Gifts* above.

**Scholarships/Fellowships:** Scholarship funds must be paid to students through their Bursar's accounts. A [Gift Disbursement for Scholarship to the University of Arizona](#) form should be submitted to request transfer of scholarship funds from the Foundation project to the University account from which the scholarship was awarded.

**Team building:** Team building events will only be reimbursed if held on campus at a nominal cost. For meal-related expenses as part of a team building event, refer to *Business Meals* above and the University policy ([9.13 Business Meals](#)).

**Travel Expenses:** The Foundation does not have a per-diem policy. Travel expenses must be supported by original receipts and a detailed explanation of how the expense relates to University business. Record each receipt separately on the [reconciling spreadsheet template](#) provided on the Gift Disbursement form. Travel expenses will not be reimbursed for guests without a valid University business purpose for their attendance.

**Airfare** - The Foundation will not pay for upgraded (i.e., First Class, Business Class, Luxury Class, etc.) tickets. The Foundation will not reimburse for excess baggage fees without a valid University business purpose. The Foundation will not reimburse for miles or other frequent flyer points used for travel. A detailed receipt showing amount(s) charged to a personal card, as well as a detailed itinerary showing passenger(s) for whom flight was purchased, are required.

**Travel Meals:** The Foundation follows the University's policy [9.13 Business Meals](#). Individual University/Foundation employee meals are reimbursable only if on travel status with an overnight stay. If you are traveling on business by yourself or with other University or Foundation colleagues, the meal reimbursement rates (before tax & tip) are as follows:

- Breakfast \$16
- Lunch \$21
- Dinner \$45

Purchases of water and snacks while traveling are a personal expense and will not be reimbursed by the Foundation. The meal limits noted above are subject to change.

**Hotel/Lodging** - An original itemized paid receipt is required. Detailed receipts for food or other charges to hotel bill must be provided. If a guest (spouse, family member, non-University-affiliated) is traveling with the employee and there is an additional fee for the guest, the Foundation will not reimburse the additional fee. Personal charges such as laundry, movies, newspapers or personal services will not be reimbursed by the Foundation. Charges for Wi-Fi are reimbursable if needed for University business purposes. Cash tips (for housekeeping, bellman, etc. services) do not require a receipt for reimbursement but must be documented in the request.

**Mileage** - Mileage is reimbursed at the published IRS standard business mileage rate for use of personal vehicle for business-related travel. The Foundation will not reimburse Philanthropy & Alumni Engagement employees for in-town mileage under 50 miles. Both the miles traveled, including the odometer readings or a printout of the trip mapped online (i.e., via MapQuest, Google Maps, etc.), and the University business purpose of the travel must be provided.

**Public Transportation (Taxi/Bus/Uber)** - Provide detailed receipt. Gratuity is limited to 20% of the after-tax total of the bill.

**Rental Car/Rental Car Gasoline** - Rental car and rental car gas expenses related to University business-related travel are reimbursable by the Foundation. Provide all itemized/detailed receipts. The Foundation does not reimburse for upgrades or insurance coverage.

## Transfers to the University

The Foundation electronically transfers funds to the University on a weekly basis. A [Gift Disbursement to the University of Arizona](#) form must be completed to transfer funds to the University. The submitter and approver(s) of this form may track the status and progress of approval(s) within My Activity on UAFDN.org. Please refer to the [transfer schedule](#) for transfer dates. Transferred funds will be posted to the Foundation project(s) within five days of the transaction closing date. Please check with your [University fund accountant](#) for availability of transferred funds within the University account. All transfers must contain a business purpose that coincides with the published purpose of the project funds. All transfers greater than \$20,000 require supporting documentation. However, when requesting a transfer from a UDF 1% project, additional documentation, such as description of activity/event, list of donors and alumni, will be required regardless of the amount. Transfers to cover a deficit in excess of \$100,000 must include a detailed expense report that clearly demonstrates how the requested amount was derived. Please also include a summary when multiple reports or KFS accounts are included so the data can clearly be matched to the report(s) included and the total being requested. The Foundation reserves the right to request additional supporting documentation for transfers of any amount.

Additional restrictions apply if your request is to fund salaries or other operational expenses to be incurred in the future and greater than \$20,000. In such instances, transfer requests are limited to the amount that will be needed in the upcoming quarterly period (i.e. for the next three months). The exceptions to this policy are for:

- Eminent Scholars position, for which the next fiscal year's funds may be requested,
- Direct Funds Transfers, for which the total funds per the Direct Funds Transfer Letter may be requested, and
- Capital projects costing \$500,000 or less in total that will be completed in the next six months.

If your gift request is for a capital project which is being administered by the University's Department of Planning Design & Construction (PDC), please attach the Project Proposal Form approved by PDC that matches the amount requested as well as the underlying project cash flow statement, if available, to support the timing and amount of the request. Please note the Foundation will be in a better position to timely fund your request if you notify us as soon as a major capital project (to be funded with Foundation funds) is approved.

## Project to Project Transfers

It might be necessary to transfer funds from one project to another on occasion (i.e. capitalization of payout). Funds may be transferred from one project to another project using a [Funds Transfer Request](#). The submitter and approver(s) of this form may track the status and progress of approval(s) within My Activity on UAFDN.org.

# Scholarships

## General Information

The Foundation follows the University Financial Services [policy 13.10 Student Scholarship Awards](#) as the guidelines for the administration and awarding of scholarships.

Refer to the Foundation's comprehensive [Scholarship Administrator Manual](#), which includes procedures related to the facilitation, administration and awarding of scholarships.

## Available Amount to be Awarded Report (AAA Report)

In order to assist the departments with awarding scholarship funds, the Foundation prepares an annual Available Amount to be Awarded Report (AAA Report). This report shows the total funds available to award (from both Foundation projects as well as University accounts) for the upcoming academic year and is prepared and emailed to scholarship representatives in each University college/division/unit in March. Please refer to the Scholarship Administrator Manual for a detailed explanation and guide to calculating amounts available to award.

## Disbursement of Scholarship Funds

The Foundation cannot issue payment for scholarships directly to students. Scholarship funds must instead be paid to students through their Bursar's accounts. A completed [Gift Disbursement for Scholarship to the University of Arizona](#) form should be submitted to request the transfer of scholarship funds from your Foundation project to the University account from which the scholarship was awarded/disbursed. Upon input of the UA account number within the form, the requestor will be able to select the awarded student(s) name(s) from the list that appears directly in the form. By approving and submitting this form to the Foundation, your college is acknowledging that funds are being/have been awarded in accordance with the signed scholarship specifications.

## Scholarship Awards Review

It is the college's/unit's responsibility to ensure scholarship funds are awarded in accordance with specifications. In order to ensure the scholarship awards are made in accordance with specifications, the Foundation reserves the right to review selected scholarships on an annual or semi-annual basis. Should any exceptions or questions arise regarding the validity or accuracy of the awarding of funds in accordance with specifications, the Foundation will contact the responsible scholarship representative to discuss mitigation.

## Fees for Project Support

The Foundation takes no part of the principal of any gift other than as described under the [University Development Fee Policy](#). The Foundation does charge certain fees as follows:

**Credit Card Processing Fee:** Credit card transactions may be subject to a 3% fee. This reimburses the Foundation for fees charged by outside entities that facilitate credit card payments. Transactions subject to the fee include those for which credit cards are processed manually by Foundation staff, those that are related to events, and those that are not fully tax deductible. The fee is waived for fully tax-deductible transactions of \$10,000 or less originating from UA

Foundation online donation and membership sites. The credit card transaction fee for fully tax-deductible transactions of \$10,000.01 or more will be charged to the benefiting Foundation project. *Please note:* Donors should not be encouraged to make a series of gifts of \$10,000.00 in order to avoid the credit card transaction fee. If such practice is detected, the series of gifts will be aggregated and assessed the credit card transaction fee.

**Endowment Fee:** The Foundation collects a fee of 1% on all endowments based on the fair market value of the endowment principal. Fees are used to support direct and indirect costs of project administration, management, and stewardship.

**Other Contractual Arrangements:** If the Foundation is involved in facilitating other types of contractual arrangements, all direct expenses such as legal fees, etc., if any, will be charged to the departmental project.

**Rush Payment Fee:** The Foundation will charge a \$50 rush fee to the applicable project when payment is needed before the normal turnaround.

**Stop Payment/Void/Returned EFT and/or Reissue Fee:** A \$50 fee will be assessed to the requesting department or if payment is returned by the vendor's bank.

**University Development Fee:** The Foundation will collect the 6% University Development Fee (UDF) upfront out of the principal amount of all non-endowed and endowed gifts of \$1,000 or more. Alternative arrangements can also be made to contribute 6% of the amount of the gift upfront from other sources (e.g., an equivalent contribution may be made from other general departmental funds on hand). The policy is published in the [University Development Fund Policy and Procedure](#).

**Wire Transfer Fee:** A disbursement must be equal to or greater than \$15,000 to be processed via wire. The Foundation will charge a \$50 fee to the requesting department for each disbursement processed via wire transfer.