

## 260-020 Foundation

### 260-020-020 Mission

The Eastern Washington University Foundation (Foundation), a non-profit corporation, was established in 1977 under Washington law to identify, promote, receive and manage all private gifts from individuals, corporations, foundations and associations to Eastern Washington University (University). The Foundation is the catalyst and conduit through which gifts and endowment income flow to provide immediate and long-term support for the University and its programs. Thus, the Foundation is not an object of philanthropy itself, but a mechanism through which private support is raised and managed for the sole benefit of EWU. Overseen by a board of directors and staffed by a professional development team who are University employees, the Foundation administers all gifts in a business-like manner in accordance with the donor's wishes. When gifts are received by EWU colleges or operating units, they are forwarded for gift processing and official acceptance and acknowledgement by the Foundation. (Amended 3/92, UGS-91-046)

### 260-020-040 Goals

The major goals of the EWU Foundation are to:

1. Advance the teaching, research and public service endeavors of EWU by generating private contributions to supplement the institution's state and federal revenues for capital, operation and student assistance needs.
2. Function as the official university organization in planning, initiating, directing and coordinating all possible efforts in pursuit of gift support from private sources.
3. Provide a tangible, cohesive organization as evidence of a comprehensive giftseeking effort and an assurance of ethical, legal and proper business proceedings in all gift transactions.
4. Provide the specialized professional experience, knowledge and expertise to assist University schools and programs, donors, and recipients wherever needed to finalize a gift plan or a solicitation plan.
5. Encourage continuing and special contributions from alumni, friends, corporations, foundations, and organizations through effective communications, solicitations, acknowledgements and recognition.
6. Involve an optimum number of persons in the giving process, either as volunteer workers or as donors, and promote and maintain good relations and exemplary stewardship with those involved. (Amended 3/92, UGS-91-046)

### 260-020-060 Appeals for Funds and Approaches to Donors

All appeals for outside funding from the university family should be cleared and recorded with the development director/executive director (hereinafter referred to as the director) of the Foundation. This action is not meant to discourage solicitation but to establish a clearinghouse for the control and coordination of private sector fund raising. (Amended 3/92, UGS-91-046)

### 260-020-080 Gifts

1. **Acceptance.** All gifts, other than equipment, must be forwarded to the Foundation promptly. Any gifts that may be tendered to the university through the Foundation with questionable conditions will be reviewed by the Foundation for final acceptance or rejection.
2. **Records.** The Foundation is the office of record for all gifts.
3. **Acknowledgment.** The director will operate as the clearinghouse for all acknowledgements of gifts. Gifts of less than \$1,000 will be acknowledged by the director and/or dean of the college if restricted. Gifts greater than \$1,000 will be

acknowledged by the president of the university. The Foundation board of directors is authorized to accept all gifts. It is the director's responsibility to ensure that the donor's gift is recognized and acknowledged in a timely manner. (Amended 3/92, UGS-91-046)

### 260-020-100 Preparation of Proposals

All major gift proposals (\$1,000 and above) to be submitted to foundations, corporations, organizations, trade groups or individuals seeking gifts and financial support for the university through the Foundation should be approved by the director and accompanied by a letter of endorsement from the university president. In this way there will be reasonable assurance that the proposals are in keeping with established goals of the university and the fund-raising priorities outlined by the university for the Foundation. (Amended 3/92, UGS-91-046)

### 260-020-120 Control of Information and Files on Prospects

The office of the development director shall maintain and manage all files on gift prospects including alumni, friends, corporations, organizations, trade groups and prospective donors of bequests. The files are CONFIDENTIAL and open only to authorized personnel. (Amended 3/92, UGS-91-046)

### 260-020-260 Reviewing of Special Projects

The director will review all special projects in which funds are to be raised. Such projects will be submitted through appropriate campus channels to the director who will forward them to the board of directors at the next appropriate meeting for their information and endorsement. (Amended 3/92, UGS-91-046)

### 260-020-160 Fund Raising

1. **Standards.** The development office will operate under the code of ethics adopted by The Council for Advancement and Support of Education (CASE), the professional association of advancement officers, to ensure that the development program is accountable to all constituencies and has the highest degree of fundraising standards to meet any accountability requirements.
2. **Control of Expenditures for Fund Raising.** Within the Foundation, funds which are to be spent for fund-raising purposes will be managed by the director.
3. **Reporting of Receipts.** The Foundation will compile all of the official financial records through the administrative services manager of the Foundation for all fund-raising receipts.
4. **Preparation of Literature.** Any publications including letters, brochures and booklets which are used to attract funds to the university through the EWU Foundation shall be approved by the director and submitted to the office of the vice president of university advancement for final approval and release. (Amended 3/92, UGS-91-046)

### 260-020-180 Relationships

1. **Professional Counsel.** When the Foundation board of directors concurs that professional counsel such as consultants, attorneys, bankers, investment counselors, etc. are required to assist and advise the Foundation and funds are available for their services, the director will work with the board of directors to negotiate these services.
2. **The Board of Directors of the Foundation, the University President, Alumni, Faculty and Outside Constituents.** The director of development is recognized as the professional fund raiser and, therefore, should have primary input in all fund-raising activities associated with the Foundation and above-mentioned groups.

3. **Volunteers.** The director will have the responsibility of working with the assigned campaign steering committee and the Foundation board of directors to provide volunteers the necessary training and information necessary to be effective in assisting in the solicitation of funds for the defined purposes of the university. (Amended 3/92, UGS-91-046)

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#### 260-020-200 Audit

The director will request a yearly audit to ensure accountability of all receipts, disbursements and on-going accounts. This audit will be authorized by the Foundation board of directors. The cost of the annual audit will be incorporated into the Foundation's General Funds budget. (Amended 3/92, UGS-91-046)

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#### 260-020-220 Establishing Foundation Funds

The following guidelines will be adhered to in establishing and utilizing a fund within the EWU Foundation for the benefit of the university, a department or a program.

1. **Establishing Funds.** When a special fund is to be established for the university, a particular department or program within the framework of the EWU Foundation, which may supply supplementary funds for existing programs or new and different needs not included in the regular university budget or for those things for which state dollars cannot be used, the following procedures shall be utilized:
  - a. The university, a particular department or program desiring to establish a fund within the foundation must complete an Establishment of Funds Form indicating the purpose, source, amount, and uses of the fund and present it to the director of development/executive director, hereafter referred to as the director, for approval.
  - b. The director will review this request to ensure the fund falls within the foundation guidelines.
  - c. If approval is granted, the administrative services manager will issue a fund number and ascertain to which fund category the fund should be assigned.
  - d. Once the fund is established it will be assessed according to the service fee policy.
2. **Account Categories.** Foundation funds would be categorized as "General," "Endowment" and "Trust."
  - a. **General Accounts.** General accounts are those which are to be used to fund named scholarships or to pay various expenses of the university, department or program and can be withdrawn using the Requisition/Invoice Voucher. The voucher should be submitted to the foundation office. Processing will take from seven to ten work days. Exceptions to this time frame may be made under special circumstances. These accounts accrue interest income if their balance is \$5,000 or more.
  - b. **Endowment Accounts.** Endowment accounts are specifically designated accounts in that the corpus is to be perpetual and only the accruing interest can be expended for the restricted purpose of the account. Such accounts must have a minimum balance of \$10,000. Distribution of interest for scholarships or other program designations will be as required by the endowment.
  - c. **Trust Accounts.** Trust accounts are those funds specifically given to the foundation as a trust and which are bound by legal agreements(s) of the trust. These are invested as outlined in the trust agreement(s)
3. **Sources of Funds.**
  - a. **Contributions.** All monetary gifts, equipment, property, etc. must be within the IRS regulations governing charitable contributions and cannot be restricted by the donor for his/her direct benefit. The executive director with the foundation's legal counsel as required will review gifts to ensure compliance with IRS regulations.

- b. **Revenue/Contract Service.** The foundation as a business entity may receive proceeds from the sale of goods or services of the organization, leases, contracted services or property. These monies will be obligated to specific accounts at the direction of the board of directors. **260-020-240 Investment Of Funds.** All funds will be invested by the executive director at the earliest possible time. Funds will be invested according to the investment policies of the foundation as approved by the board of directors. (The investment policies are available for review by the university, department or program establishing a fund.)

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#### 260-020-260 Control

Accounts established for the university, a particular department or program will be kept and managed by the EWU Foundation. Authorization for disbursement would be made by the appropriate administrator using a Disbursement Form supplied by the foundation office. One copy of the form should be forwarded to the foundation along with supporting documentation for drafting a check. (A signature card must be on file.)

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#### 260-020-280 Disbursement Guidelines

1. Allowable Disbursements.
  - a. Student Aid.
    - i. Scholarships,
    - ii. provide financial assistance to students for special student efforts and programs when college funds are not available,
    - iii. payments for work on an independent contract basis as part of department, unit or program in which student labor is utilized.
  - b. General.
    - i. Provide funds for costs associated with professional seminars;
    - ii. provide funds for supplementary educational materials;
    - iii. provide funds for special equipment and publications;
    - iv. provide funds for special programs and materials;
    - v. provide funds for advancement of EWU;
    - vi. provide funds for faculty development through endowed chairs, named professorships or unrestricted support;
    - vii. provide funds for capital construction projects through various coordinated campaigns;
    - viii. provide funds for research and other special projects.
2. General Expenditure Categories. Foundation guidelines for determining allowable uses of funds include general expenditure categories listed as follows:
  - a. Salary and Wage Payments. Direct payment to faculty, staff, students and/or other full- or part-time employees of EWU is unallowable unless it relates to a specific authorized agreement between the foundation and recipients. If compensation to university employees is approved from foundation funds, such as endowed professorships or chairs, payment to the employees will be processed through the university payroll office and must be consistent with existing university salary practices. A check will be cut by the foundation to reimburse the university.
  - b. Honoraria and Consulting Fees. Payment of an honorarium or consulting fee is allowable.
  - c. Guest Expenses. Reimbursement of expenses incurred for entertainment of guest lecturers and/or other guests of EWU is allowable based on current per diem and travel rates. Reimbursement will be limited to expenses incurred for travel, food, lodging of guests and the associated expenses for a reasonable number of EWU staff accompanying the guests. Utilize Travel and Entertainment

Expense Authorization Form before the expenditure is incurred.

- d. Coffee Hours, Receptions, etc. Reimbursement of expenses incurred for coffee hours, teas and/or receptions may be reimbursed from foundation funds provided the functions are in conjunction with EWU's related activities and approved in advance.
- e. Association Dues and Publication Costs. Departmental and/or institution association dues and publication costs may be paid from foundation funds. Payment of association dues and/or publication costs for the direct personal benefit of individual faculty or staff members is not allowable.
- f. Faculty and Staff Travel.
  - i. Use of foundation funds for travel expenses must be approved by the department. Allowable per diem rates will be approved yearly by the foundation board. These rates (will) be the same as those established by the state of Washington.
  - ii. Departments may authorize use of unrestricted funds for relocation expenses with concurrence of the dean.
- g. Magazine Subscriptions. Magazine or other subscriptions to be paid from foundation funds should be directly related to departmental teaching, research and/or public service activities. Subscriptions must be mailed to a university department, office or the library.
- h. Supplies, Expenses and Capital Equipment.
  - i. Supplies, expenses and capital equipment generally used for teaching or research may be purchased from foundation funds.
  - ii. The dean or department chair will select a specific vendor, manufacturer, etc., if specific supplies and/or equipment are required to maintain consistency with existing equipment or to meet teaching and research specifications.
- i. Other. Proposed use of funds that are not directly related to the above categories or uses relating to unusual circumstances should be cleared with the foundation office before planning the expense. (Amended 3/91, UGS-P91-043)

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#### 260-020-300 Procedures For Withdrawal of Funds

Listed below are proposed procedures for requesting withdrawal of funds.

1. **Processing of Requests.** Requests for withdrawal of funds will be processed as follows:
  - a. Requisition/invoice vouchers requesting withdrawal of foundation funds are to be prepared by the department or administrative office requesting payment signed by the appropriate person(s) and submitted to the foundation for payment. Vendor invoices, expense receipts and/or other supporting documentation must be attached.
  - b. Request will be processed provided funds are available and the requests comply with guidelines established by the foundation.
  - c. Foundation checks will be distributed as indicated on the Request Form. Allow two weeks for the processing of checks. (Amended 3/91, UGS-P91-043)

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#### 260-020-320 Control Of Equipment

Listed below are foundation guidelines for control of equipment purchased from its funds.

1. **Assignments of Equipment.** Equipment purchased from foundation funds will be assigned to the requesting department until such time as the equipment becomes excess to department needs, obsolete or considered of limited value beyond reasonable repair.
2. **Inventory and Tagging of Equipment.** At the end of each fiscal year, all equipment purchased from foundation funds within that year will be transferred to the university to be inventoried and tagged as part of EWU's inventory system. A Memorandum of Transferal will be sent to the campus inventory control office.
3. **Approval of Equipment.** The university and/or the foundation may elect not to approve an equipment request for one or more of the following reasons:
  - a. high level of projected operating and/or maintenance costs,
  - b. space needs requiring major alterations to existing structure,
  - c. major installation costs, or
  - d. duplication of existing equipment which is available for general use by university faculty and staff.
4. **Gifts of Property/Equipment.** Gifts of property/equipment to the college, department or program should be made to the foundation by completing the "Gift Agreement" Form. Upon receipt, the director in conjunction with the receiving department's dean or chair will determine if the property will be immediately transferred to the university inventory system or remain under the foundation for later sale. (Amended 3/91, UGS-P91-043)

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#### 260-020-500 Use of Funds for Political and Legislative Activities

1. In compliance with the IRS code for A501(C)3 organizations, the EWU Foundation will establish a legislative relations account under the auspices of the President's Council Fund. The budget for this account should be limited to comply with the IRS "Substantiality" test.
2. All expenditures from this account require a receipt and listing of individuals attending an activity for which monies were used. A signature of approval from the president, or vice president for university advancement is required. Final authorization and process of funds will be through the EWU Foundation.
3. No director, officer, or staff member of the university or Foundation shall accept from any source any gift or gratuity that is offered or reasonably appears to be offered because of position held nor shall an offer of a gift or gratuity be extended by an individual on a similar basis. This does not include informational material such as books, reports, calendars or other solicited promotional material. A gift does not include modest entertainment, such as meals or refreshments in connection with meetings, conferences, public ceremonies or home hospitality.
4. All who utilize funds for entertaining political officials should utilize discretion. If a question arises concerning the use of these budgeted dollars, it should be addressed to the executive director of the EWU Foundation prior to expenditure and before submitting the statement to the EWU Foundation for processing. (New 11/92, UGS-91-024)