Accounts Payable Process:

Accepted Use of Foundation Funds

All funds shall be administered with due regard to conditions attached to the gifts and governing statutes and rules, in accordance with what is reasonable, equitable and in the manner in which persons of ordinary prudence would act in the management of the property of another.

The fund administrator of each foundation fund is charged with the responsibility of ensuring that each expenditure of funds is reasonable, will benefit the University, falls within the donor’s intent of the gift, will not jeopardize the foundation’s tax-exempt status, and complies with all applicable statutes and regulations.

Acceptable uses of foundation funds include conducting business related to University matters, such as dining and catering expenses for the purpose of such as cultivating donor relationships. Please note that all entertainment and meal expenses must comply with all applicable IRS regulations.

Prohibited Use of Foundation Funds

Following are examples of unacceptable purchases, as they do not fall within the mission of the Foundation:

- No expenditure, direct or indirect, made for political contributions
- Entertainment that is deemed to be excessive (e.g., frequent events with the same participants or events that involve significant cost or numbers of participants)
- Business travel for individuals other than a University employee or student
- A meal with only University personnel present, unless this meal is scheduled for the purpose of conducting business related to University matters or as an official function of the University

Disbursement Policies

The following guidelines govern disbursements:

- As the mission of the Foundation is to support the University, fund administrators should consider whether expenses can be paid directly by University funds before requesting disbursements from the Foundation projects.
- The Fund Administrator is responsible for ensuring that there are sufficient funds to cover disbursement(s). Requests from funds with insufficient balances will not be approved.
- Contracts made in the name of the Foundation can be entered into only after review and acceptance by the Foundation’s counsel and must be signed by the Foundation President or a current officer of the Foundation designated by the Foundation President.

The following types of purchases must be submitted to the University’s Procurement Office for processing:

- Payments to employees and students for honorariums, contract labor and awards
- Reimbursements to individuals for travel incurred while conducting academic and administrative business on behalf of the University
- Computer hardware and software, after approval is obtained from ITS
• Equipment and fixed assets

Completing the Request for Withdrawal of Foundation Funds

• All new vendors that are paid via accounts payable will require a W-9 form (see attached) on file with the Foundation accounting office. New vendors must be setup prior to making purchases. A vendor is identified by, whom the payment is made payable. This process is required to ensure proper 1099 reporting to the IRS. Check with Foundation Accountant to determine if a vendor is new.

• The following guidelines for purchases by dollar amount are as follows:
  o $0-$1,000.00 Credit Card Purchases
  o $1,000.00+ Pre-Approval/PO for purchase from the VP for Advancement (use the attached form). If purchase is requested by VP for Advancement the President of the Foundation will approve expenses over $1,000.
  o $5,000.00+ bid for purchase required. See below for sole source requirements
  o Sole sourcing can be acceptable if the following are true:
    ▪ When only the proposed source can furnish the services because of its previous Foundation experience and having an alternative source duplicating these capabilities would result in excess cost.
    ▪ When only one supplier can satisfy the technical requirements because of unique technical competence or expertise.
    ▪ When the item does not satisfy the requirements for sole source, but the use of any other manufacturer would result in excessive costs.
    ▪ When only one source possesses the patent(s) or exclusive right(s) to manufacture or to furnish the item or service

• Vendor invoices/reimbursement requests are to be mailed or dropped off to the Foundation Controller’s office.
  11935 Abercorn Street
  Attn: Foundation Controller
  Solms Hall Suite 201
  Savannah GA 31419

• Foundation accounting staff will distribute invoices to the appropriate department/employee for approval for payment. The invoice will include an approval form (see attached) that captures the approval signature and the proposed expense account codes that includes fund and project accounting.

• The employee that placed and received the order is responsible to review the invoice for payment approval to ensure: items ordered versus received, ordered items arrived in working condition, and agreed price matches the invoiced price. If approved, the employee will complete the approval form that will include signature, the project number the expense should be
disbursed, employee’s signature along with the fund administrator’s signature. (If the employee reviewing the invoice is not the fund administrator.)

- A check request form (see attached) shall accompany reimbursement requests. Reimbursement requests shall have proper backup to satisfy IRS guidelines defined as adequate documentation. Check requests should have proper signature from the fund administrator for payment processing.
- Foundation accounting staff will review the request and documentation for payment. This will ensure proper signature is included to approve the requested expense, the expense is allowed by the fund restriction and the fund has an available balance to withhold the requested expense.
- Payments are processed weekly on Wednesday. In the event the University is closed, other arrangements will be made to ensure payments are processed timely.
- A summary disbursement report will be presented to the VP for Business and Finance along with the processed payments for approval and signature.
- Processed checks will be disbursed by the Foundation Accounting Staff according to the payee’s designation: USPS or EFT for vendors, USPS or in-person pick up for reimbursement checks.
- All checks can be picked up in Solms Hall, Suite 201.