

## Accounting Handbook

### Gift Handling Policy

#### Background

#### Development Policy

##### 1. Purpose

Increasing the academic and programmatic strength of the University of Houston-Clear Lake by attracting resources and funds from private sources is a major institutional objective. To accomplish this successfully, all development efforts of the University must be well coordinated. At the University of Houston-Clear Lake, the Office of the President is responsible for coordinating all solicitation efforts by University personnel for funding from private sources. These sources include corporations, businesses, associations, foundations, and individuals. Institution-wide development efforts are initiated and coordinated by the Office of University Advancement under the direction of the Office of the President. The University of Houston System through the Vice Chancellor for University Advancement serves as the central coordinating point for solicitation and administration of contributions from all campuses comprising the System. Therefore, development efforts (solicitations and gift income reporting procedures) must conform to the requirements of the University of Houston System. The President must approve all private fund-raising plans prior to any solicitation effort. The President has delegated day-to-day responsibilities for the application and approval process to the Office of University Advancement which has the prime responsibility within the President's office for managing the overall development efforts of the University. Efforts requiring substantial assistance must be submitted for approval by the President's office through the Office of University Advancement. Prior to its submission they must be approved by the appropriate Vice President or Dean. Priorities within their respective areas of responsibility must also be approved by the appropriate Vice President or Dean.

##### 2. Responsibilities of Key Offices

Responsibilities of the various components of the University of Houston System and the University of Houston-Clear Lake on matters of University Advancement are as follows:

###### 2.1 University of Houston System

The University of Houston System through the Office of the Vice-Chancellor for University Advancement serves as the central coordinating point for the solicitation and coordination of contributions and gifts from all University of Houston campuses comprising the System. Within the Vice Chancellor's office, the Office of Donor and Alumni has the primary function of recording all gifts from private sources, both restricted and unrestricted, and maintaining current files on all donors and pertinent information about them. This office is also responsible for issuing official receipts for all gifts, processing matching gifts and preparing the gift reports for the Board of Regents.

###### 2.2 Office of the President, UH-Clear Lake

The Office of the President has the ultimate responsibility for direction and coordination of solicitation efforts for contributions from private sources for all personnel employed by the

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University of Houston-Clear Lake. To this end, the President as designated the Office of University Advancement which is part of the Office of the President, as the central coordinating mechanism for University-wide development efforts. This includes the responsibility of reporting all UH-Clear Lake contributions and gifts to the University of Houston System, which in turn prepares reports to be presented to the Board of Regents and other appropriate University personnel.

### 2.3 Office of University Advancement

The Office of University Advancement is designated by the President to coordinate all University development activity with private sources. The Office of University Advancement will keep records of all transactions and related correspondence regarding the development efforts of the University. The Associate Vice President for University Advancement is the initial point of contact for all inquiries for members of the University's faculty and staff. The development functions of this office are as follows:

2.3.1 Create and implement institution-wide development efforts.

2.3.2 Serve as a coordinating point for all development efforts of the University of Houston-Clear Lake.

2.3.3 Serve as a reporting mechanism to the University of Houston System Vice Chancellor for University Advancement and the UH-Clear Lake's Vice President for Administration and Finance.

2.3.4 Provide solicitation expertise to development efforts approved by the President.

2.3.5 Serve as an information resource base regarding gifts/contributions, donor profiles, and related topics.

2.3.6 Develop procedures to implement the University's development policy.

### 2.4 Office of Vice President for Administration and Finance

The Office of the Vice President for Administration and Finance at the University of Houston-Clear Lake has the fiduciary responsibility regarding all contributions/gifts to the University. All contributions/gifts received and reported to the Office of University Advancement will be transferred with the appropriate paperwork to the University of Houston System for processing and deposit unless otherwise designated. All gifts-in-kind that involve future expenditures for upkeep, maintenance, or installation must be approved by the Vice President for Administration and Finance prior to their acceptance.

## 3. Contributions Policy

In order to facilitate a comprehensive and coordinated approach to development efforts of the University of Houston-Clear Lake, as well as fulfill the reporting requirements of the University of Houston System, the University personnel must adhere to the following guidelines. For the purpose of this policy statement,

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gifts/contributions are to be defined as a voluntary transfer of real or personal property without compensation. All gifts to the University of Houston-Clear Lake (restricted and unrestricted cash, checks, securities, gifts-in-kind, grants, scholarships, endowments, and all other forms not herein described from any college/program or entity) are to be reported to the Office of University Advancement in accordance with the following guidelines:

3.1 All development plans of the University must be approved, prior to their implementation, by the President and all development plans, prior to their submission to the President must be approved by the appropriate Vice President or Dean.

3.2 University personnel shall deliver to the Office of University Advancement all information regarding contributions, checks, accompanying letters, restrictions, donor information, and any other pertinent data derived from fund-raising activity, after the President's approval of the basic plan.

3.3 Should the contribution be a matchable gift, the college, program or office receiving the gift must remit to the Office of University Advancement information regarding the original gift and the completed original matching gift form (if applicable) as supplied by the donor. Many companies which match gifts have online forms to be completed by the donor.

3.4 All offers of gifts-in-kind especially those which may involve future expenditures for upkeep, maintenance, installation and so forth must be approved prior to their acceptance by the appropriate supervisor and the Vice President for Administration and Finance. The burden of determining the value of these gifts for tax purposes devolves on the donor.

3.5 All gifts designated for the University of Houston-Clear Lake Alumni Association or function thereof shall be delivered directly to the Office University Advancement. All related correspondence, donor information, and completed matching gift form (if a matchable gift) must accompany the original gift for deposit.

3.6 All gifts of securities shall be delivered to the Office of University Advancement immediately or not later than the business day following their receipt. Additional information required for the processing of these gifts includes permission to sell stock or statement as to retention, the desired use of the proceeds (if restricted), and proper signature on stock certificates.

3.7 A special fund shall be established within the Office of the President to receive all unrestricted gifts to be reallocated at the President's discretion to the appropriate subunit receiving the gift and for other University projects.

3.8 All plans for deferred giving must be approved by the President prior to their acceptance.

#### **4. Acknowledgement Letters**

The following are guidelines for acknowledging gifts:

4.1 The Office of University Advancement shall coordinate acknowledgment of all gifts.

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- 4.2 The administrative subunit receiving the gift shall acknowledge its receipt and send a copy of the correspondence to appropriate officials within respective components and the Office of University Advancement.
- 4.3 Other entities which benefit from a particular gift shall also make an acknowledgment and forward a copy to the Office of University Advancement.
- 4.4 The President shall acknowledge all gifts valued at more than \$1,000.00. The Associate Vice President for University Advancement acknowledges all gifts valued at \$100 through \$1,000. The Associate Vice President of University Advancement shall entertain special requests for letters of acknowledgment for gifts below \$100.00 in value.

See page 5 for:

**University Advancement Cash/Check Handling Procedures**

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### University Advancement Cash/Check Handling Procedures

When check or cash is received through the mail or hand delivered to the University of Houston-Clear Lake Office of University Advancement:

1. Gift is locked in the safe of Assistant Director of Development or designee in suite.
2. Gift is deposited within one working day by Assistant Director of Development or designee Senior Staff Assistant.
3. Donors are asked to make checks payable to UHCL.
4. The back of the check is endorsed with a rubber stamp that reads:  
FOR DEPOSIT ONLY  
University of Houston-CL
5. The Journal Entry Form (JEF) is assigned a document journal entry number that begins with a department code plus three numbers that are listed on the Journal Entry Log. This number is manually assigned and is used for accounting to track the document.
6. The JEF is prepared electronically in PeopleSoft by the Assistant Director of Development or Sr. Staff Assistant (depositor) for depositing the gift into the correct cost center or holding cost center. The holding cost center will be cleared in one week upon return of Assistant Director of Development.
7. The depositor approves the deposit which is electronically sent to the second approver (Business Coordinator or designated person) for review.
8. The depositor takes 2 copies of the Journal Entry Detail page & the funds to the second approver who then counts the funds, makes sure all information on Journal Entry is complete, verifies the attachments and electronically approves the Journal Entry; second approver inserts the Journal Entry Forms & money into secure money bag and locks it; depositor or designated person (who does not have access to the key) then takes the secure bag to the cashier's office.
9. Personnel from the Cashier's Office initial and date-stamps the JEF verifying a deposit has been made and returns copy to depositor who maintains it in her files.
10. Asst. Dir. Of Dev. uses the UHS FTP site to upload all transactions to office of Donor and Alumni Records so that the ADVANCE database can be updated.
11. The depositor attaches a copy of the JEF to each transaction