A Guide to

# THE KANSAS STATE UNIVERSITY FOUNDATION
## ACCOUNTING and REPORTING

- Policies & Procedures
- Sample Forms
- Resources

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# Section 1 Introduction

The Kansas State University Foundation, established in 1944, is a non-profit organization dedicated to supporting Kansas State University. It serves as the university's official fund-raising entity, gaining tax-exempt status in March 1945 under Section 501(c)(3) of the Internal Revenue Code. Authorized by the Kansas Legislature in 1969, the Foundation manages endowments and bequests ensuring efficient fiscal management.

The Foundation's mission is to secure and manage private gifts to support the university, aligning donor intentions with university needs. It is governed by a volunteer Board of Trustees, which has elected a Board of Directors to act on its behalf, providing scholarships, faculty support, departmental aid, and campus enhancements.

To honor donor restrictions, the Foundation maintains separate fund accounts, with fiduciary responsibility resting with the Foundation. Each account is assigned to a disbursing authority from the relevant University College or Department to ensure proper fund allocation and asset management.

## Confidentiality of the Kansas State University Foundation Records

The partnership between Kansas State University (KSU) and the Kansas State University Foundation (Foundation) is built on service, trust, and accountability. The Foundation values transparency but must protect donor confidentiality to support KSU effectively. Both the Foundation and the Alumni Association manage the confidential database of alumni, friends, and donors, which is strictly for KSU's fundraising and alumni relations purposes.

The Alumni Association updates biographical records, while the Foundation maintains contribution history, donor tracking, and scholarship records. Home and business addresses received should be forwarded to the Alumni Association to ensure accuracy.

Financial information requests must be specific and in writing. The Foundation will provide relevant data, excluding personal or financial details of donors, alumni, prospective donors, volunteers, or employees.

All KSU-related fundraising activities are undertaken on behalf of the Foundation. All records associated with such activities relating to personal or financial information about donors, alumnus, prospective donor, volunteer or employee in the possession of any staff, faculty, students, and volunteers, K-State Athletics or Alumni Association of KSU are records of the Foundation and Alumni Association and are confidential.

## State Solicitation Registrations

The Foundation is registered to solicit charitable contributions with the appropriate governing authorities in all states requiring registration. There are some states that require specific disclosure statements with regards to solicitation activity. For information about our charity registration and disclosure statements, please visit the Foundation website at the following link: https://ksufoundation.org/about/reporting-and-governance/

# Section 2 Processing, Depositing and Receipting Assets

The Foundation will handle gifts as tax-deductible contributions if they comply with IRS regulations. Checks must be payable to the Kansas State University Foundation and cannot be third-party checks. Gifts received on campus should be sent to the Foundation's Cashier's office with a completed Contribution Transmittal Form (KSUF-1).
The Foundation cannot accept gifts that:

- Involve contract deliverables (i.e., grants)
- Are fees-for-services
- Fund proprietary research
- Include registration fees for non-fundraising events such as career fairs
- Involve sales of State Property
- Jeopardize the Foundation's tax-exempt status

## Credit Card Security Standards

The University and the Foundation have policies to protect credit card information, aiming to comply with PCI Data Security Standards (DSS). These standards involve safeguarding credit card data in both computerized and non-computerized forms. Non-compliance can lead to significant fines.

Only authorized University employees trained in handling confidential material should access donor credit card numbers received via phone or mail. Such information must not be retained in any form.

Credit card data must be securely transferred to the Foundation. If campus personnel receive credit card details, they should place the information in a tamper-resistant sealed envelope and hand-deliver it to the Foundation's Receptionist at 1800 Kimball Ave., Manhattan, KS. **CAMPUS MAIL is not secure for this purpose.**

Credit card details *must* not be sent via email or fax, even within campus systems, as these methods are not secure.

## What is a Contribution?

A charitable contribution is a donation or gift to, or for the use of, a qualified organization. It is voluntary and is made without getting, or expecting to get, anything of equal value. The Foundation is a qualified tax-exempt entity under Internal Revenue Code Section 501(c)(3). If the donor receives incidental items such as "the goodwill of the department" or small inexpensive things such as a calendar, a program, etc., the contribution can still qualify as a 100% contribution. The current IRS guidelines for "token" benefits are $10.90 (for examples see FAQ-Q5).

## Gifts with benefits - *Quid pro quo*

A *quid pro quo* contribution (one with *benefits received*) is a payment made partly as a donation and partly for goods or services. The Foundation must inform donors about the portion of their payment that is tax-deductible and the portion that is *benefits received*.

For instance, if a donor pays $100 for a charity dinner and receives $40 in food and entertainment, $60 is tax-deductible. **This remains true even if the food and liquor were donated**. The benefits received are not based on what the charity pays, but on the fair market value. Similarly, if a $100 donation includes a $25 alumni directory, $75 is tax-deductible. The event-organizing department must determine the amount of benefits received.

Deposits with a benefits component must include the Benefits Received Form (KSUF-3) with the Contribution Transmittal Form (KSUF-1 Contribution Transmittal Form). ***If the benefits equal the donation amount, please use a non-contribution form.***

## What are the steps associated with a Gift-In-Kind contribution?

Gifts of personal property will be accepted only if they align with the University's mission. Whether the gift is kept, sold, or transferred to the University will be determined by the University's needs. When transferred, the property is subject to standard University restrictions.

To acknowledge that a Gift-In-Kind (GIK) meets the University's needs, complete the Gift-In-Kind Donation Form (KSUF-2) for all GIKs. Include all relevant correspondence and documentation of the gift's value. The form should not be submitted without attachments.

Receipts for non-cash gifts will describe the gift without assigning a value. For non-cash gifts over $5,000 (except publicly traded securities), donors must file IRS Form 8283 for a tax deduction. A current 8283 form is available on irs.gov. It must be initiated by the donor and included with their tax return. 8283 forms can be submitted to the Foundation's Controller with the Gift-In-Kind packet.

Per policy, the Foundation will not accept a GIK form for software. Additionally, by agreement and cooperation with university departments, it is the policy of the Foundation that a GIK form **will not** be processed for a charitable deduction associated with the receipt of an animal (i.e. horse, cow, etc.) that is acutely and critically ill. From time to time, a donor wishes to donate an animal for research purposes or surgical or euthanasia purposes (i.e. in the school of Veterinary Medicine). Please work with the receiving department to document these types of gifts.

The IRS provides penalties (up to $10,000) when a person knowingly provides false information regarding appraisals or the acceptance of gifts that will not be used for the purpose for which the organization is exempt.

**IRS regulations state that the individuals authorized to sign the Foundation's tax returns are the only authorized signatories for Form 8283. Any Form 8283 sent to campus offices should be forwarded to the Foundation's Controller.**

See Appendix - Requirements for Transfers of GIK Property with value of more than $5,000 for additional information.

**Publicly Traded Securities -** If a donor desires to make a gift of publicly traded securities, please contact the Foundation's Investment Accountant at securitiesgifts@ksufoundation.org for specific instructions and assistance.

**Real Property -** Gifts of real property must be coordinated in advance with the Foundation's Real Estate Manager Ben Kearns, who can provide a copy of the detailed procedures for accepting such gifts. He can be reached at benk@ksufoundation.org or 785-775-2121.

## Tax Receipting and Written Disclosure Statements

A receipt is sent to each donor upon receiving a gift, detailing the amount or type of gift and any benefits received. For non-cash gifts, the receipt shows a description without a dollar value, following IRS guidance. Donors are responsible for determining the deduction amount for non-cash gifts themselves when filing their tax return. No receipts are sent for non-contribution payments like event tickets.

To claim a charitable deduction for federal income taxes, donors must substantiate any contribution of $250 or more with a receipt from the Foundation. This receipt must include the payment amount, any benefits received from the University, and the net gift amount. If no benefits are received, the receipt must state that the donor has not received any benefits.

For contributions over $75 with benefits, the IRS requires a written disclosure statement. This statement must:

- Inform donors that the deductible amount is limited to the contribution minus the value of goods or services received.
- Provide a good faith estimate of the fair market value of the benefits.

The Foundation provides this disclosure at both solicitation and receipt stages. Failure to meet disclosure requirements can result in a penalty of $10 per contribution, up to $5,000 per event or mailing, unless due to reasonable cause. See the above section on how to transmit gifts with benefits.

The Foundation is currently providing Tax Receipts in the following ways:

- For all donors for whom we have an e-mail address, an electronic tax receipt is provided for **all** donations regardless of the amount UNLESS they have indicated to us that they would rather receive a paper receipt.
- Donors may request a paper receipt for every gift regardless of the amount of the gift. If you are aware of a donor that wishes to receive a paper receipt, please refer them to the Stewardship department of the Foundation.
- If we do not have an e-mail address, a Tax Receipt is mailed for all donations of $250 or more.
- GIK tax receipts are printed and mailed regardless of the amount of the gift. No valuation is provided on the tax receipt.
- At the calendar year end, donors can obtain a summary of their donations by signing up and logging into the Foundation's donor portal or can request a paper copy.

To comply with IRS rules, the Foundation needs relevant information from campus personnel. The following sections detail the required information. As per Foundation policy, we will use your statements to prepare receipts. Please be advised that there are IRS imposed penalties for providing false written substantiation to a donor.

## How do I transmit Contributions to the Foundation?

Since Contribution deposits require additional steps to properly provide a Tax Receipt to the donor, the Foundation requires Contributions and Non-Contribution Deposits are transmitted separately. For details on Non-Contribution Deposits, refer to the next section.

To standardize the information gathering process, the Foundation has created form KSUF-1 Contribution Transmittal Form. This form **MUST** accompany all contribution deposits transmitted from a campus department.

## Completing the Contribution Transmittal Form (KSUF-1)

KSUF-1 Contribution Transmittal Form is available on the Foundation website for download use. A paper copy is also included in SAMPLE FORMS of this manual.

A separate form should be submitted for each of the following situations:

- Deposits to ***different FUNDS***. In the event a donor has written one check to be allocated to more than one fund, please submit that check separately.

- Deposits which are ***100% contributions*** from contributions with a ***benefits received***
    - *Benefits received* contributions must also be accompanied by KSUF-3 Benefits Received Form
- ***Gift-in-Kind*** contributions must also be accompanied by KSUF-2 Gift-In-Kind Form
- Deposits of ***Cash***
- Deposits of ***Checks***
- Deposits of ***Credit Cards***

If a solicitation/mailer card was utilized, please provide the document.

**Please limit the number of items in a batch to 35 items or less.**

**If you are providing a detailed listing of checks/credit cards, etc., please organize the supporting information (i.e. the checks) in the same order as your listing.**

**COPIES OF CHECKS are not required for our purposes.** We will IMAGE all documents as a part of our deposit process.

Cash donations can only be tax receipted if the donor's name, address and the amount of cash are listed on an attachment.

## Completing the *Benefits Received* Form (KSUF-3 Benefits Received Form)

As discussed above, when a donor receives benefits because of their donation, their tax-deductible contribution is reduced. The following is an example of the type of information that will be required on the *benefits received* form:

| Donor Name | Check total | Benefits Received | Description of Benefits |
|---|---|---|---|
| John Smith | $100.00 | $35.00 | 1 Dinner Ticket |
| Jill Allen | $200.00 | $70.00 | 2 Dinner Tickets |

In this example the dinner is valued at $35.00 apiece.

If the *benefits received* amount equals or exceeds the amount of the donor's check then the donor has **not** made a tax-deductible contribution. The funds should be transmitted to us as a non-contribution deposit on KSUF-4 Non-Contribution Form (see further discussion below). An example of this would be if a donor paid $300.00 for a golf package at an auction that was valued at $500.00.

See Frequently Asked Question 9 for additional information and examples.

## Special discussion regarding proceeds received from an AUCTION

Charity Auctions are a popular way to fundraise at KSU. The Foundation handles all contributions and non-contributions from these events. Given the complexities and the need for secure credit card payments, the Foundation mandates using an auction service provider or platform. Due to Payment Card Industry (PCI) and insurance liability issues, the Foundation cannot provide credit card processing equipment for utilization at a charity auction.

These providers offer various services to enhance auction success and ensure safe credit card processing. When choosing a provider, ensure they can supply the purchaser's name and address, item details including item value and amount paid. Without a service provider, tax receipts cannot be issued.

With a provider or using cash/check payments, the following applies:

Donors can claim a charitable deduction for the excess amount paid over the item's Fair Market Value (FMV). For instance, if a donor pays $100 for an item valued at $75, they can deduct $25. However, bidders **must** know the FMV to claim this deduction ***prior to bidding***. Typically, the value is provided in an auction program, bid sheet, or online item description. Marking items as "priceless" prevents issuing a tax receipt as the winning bid sets the item's value.

When transmitting the information to the Foundation for an Auction, if using an auction service, a report showing the FMV and the price paid should be provided for backup. All other information as discussed above in the "completing the *benefits received* form" should also be provided with the KSUF-3 Benefits Received Form.

## Special discussion regarding proceeds received from a RAFFLE

The IRS considers these "games of chance", therefore amounts paid for raffle tickets are not tax deductible and should be submitted to the Foundation on the KSUF-4 Non-Contribution Deposit Form. No gift receipts to donors are provided.

Additionally, effective July 1, 2015, the state of Kansas passed Kansas Statue 75-5175 allowing raffles by charitable organizations.

> *Any bona fide nonprofit religious, charitable, fraternal, educational or veterans' organization that conducts charitable raffles for which the aggregate gross receipts from such raffles in the fiscal year does not exceed $25,000 shall be exempt from the provisions of this section, except that such organization shall be subject to the provisions of subsection (d) regarding how such raffles are managed, operated and conducted.*

If gross revenues from a raffle are expected to exceed $25,000, then a registration form must be completed and filed with the State of Kansas. The Foundation has not registered with the State of Kansas because we are not aware of any raffles that have gross revenues more than $25,000.

You can access the Kansas Statute at the following link:
http://kslegislature.org/li/b2017_18/statute/075_000_0000_chapter/075_051_0000_article/075_051_0075_section/075_051_0075_k/

If you plan to conduct a fundraising raffle and expect revenues of $25,000 please contact the Controller for assistance at 785-775-2102.

## How are contributions processed?

Upon receiving contribution deposits, the cashier batches them for deposit using ImageNow software. Checks and cash are deposited, while credit cards are processed via our bank's software. Gift processors then enter the data into the Ascend database for recordkeeping and tax receipt preparation.

If a check arrives without a mailer or with address change info, the Foundation routes the images to the Alumni Center for donor record verification. Alumni personnel provide the correct donor ID, and the gift is then processed, and a tax receipt is generated. This process typically takes three to five days during non-peak times.

## How do I transmit *non-contribution* deposits to the Foundation?

Non-contribution deposits reflect income received for which the payer does not receive a charitable tax deduction. As a charitable organization non-contribution deposits should be tied to a fundraising event. Non-contribution deposits must also be made payable to the **Kansas State University Foundation.** ***The Foundation cannot accept third party checks***. They are not recorded on donor giving records and do not generate Tax Receipts.
Examples of non-contributions include:

- Reimbursement for items paid for by the Foundation
- Fundraising Events (where there is **no** contribution component)
- Tickets to fundraising events such as galas, tailgating events, etc., for which the payer receives a benefit greater than or equal to the price, such as a meal or football ticket.
- Items purchased at an auction when the fair market value of the item is higher than the amount paid.

**Departments who collect monies for departmental gifts such as for baby showers, retirement gifts, birthday gifts, etc., should collect and spend these monies outside of Foundation accounts.**

Non-contribution deposits should be transmitted to the Foundation with form KSUF-4 Non-Contribution Form. Because of new reporting requirements for IRS Form 990 (the annual tax information return for the Foundation), additional account coding for non-contribution deposits is necessary. The following categories are provided on the form and should be utilized:

| Acct # | Acct Description | Definition |
|---|---|---|
| 3202 | Income | Miscellaneous. Non-fundraising dinners or banquets, rebates, services, commissions, entry fees, prize and awards |
| 3206 | Fundraising Events | Dinners, galas, tailgates, etc. |
| 3208 | Reimbursements | Funds collected to reimburse expenses incurred. Provide documentation to show that expenses were (or will be) paid from Foundation funds. |

Deposits should be grouped in the following way:

- Cash for the same fund in a separate batch
- Checks for the same fund in a separate batch
- Credit cards for the same fund in a separate batch

Include the fund number in the memo section of each check. The Foundation is imaging all departmental deposits and backups, so copies of checks aren't necessary.

The Foundation cannot accept:

- Revenue from work performed by KSU employees using University resources.
- Payments from students for courses, materials, or workshops related to their education.
- Revenue from the sale of state assets. All equipment, furnishings, and fixtures bought or donated to the Foundation belong to the State of Kansas. The Foundation reports these items quarterly to

the Division of Financial Services. Proceeds from their sale cannot be deposited in the Foundation.
- Student club membership dues

# Section 3 Disbursement Policy

If Accounts Payable requests are submitted without proper documentation the Foundation will return the request. **The Foundation reserves the right to refuse reimbursement for expenditures that are older than 180 days.**

The following sets forth the responsibility and authority of the President, Vice Presidents, Deans, and Directors to administer funds of the Foundation and the guidelines for making disbursements.

## Authority and Responsibilities

1. The KSU President, Vice Presidents or Deans of Colleges are solely responsible for disbursements from funds which they control.
2. The KSU President, Vice Presidents or Deans of Colleges may delegate authority which allows Department Heads or designated others to submit requests for disbursement. KSUF-7 Signature Authority Form must be submitted to notify the Foundation of these approved persons. Should changes to the approved persons be needed, a new KSUF-7 Signature Authority Form must be submitted.
3. **Payments to the KSU President, Vice Presidents, Deans of Colleges or Department Heads, or payments which benefit them, must be approved by an appropriate higher authority.**
4. Colleges may develop additional control policies.

## General Disbursement Policies - Applicable to all Funds

1. All funds will be managed according to the gift's conditions, applicable laws, and prudent management standards. The Foundation is not subject to open records, but our Board of Directors may disclose disbursements publicly upon receiving a proper written request.

2. All disbursement requests must be submitted electronically via our electronic disbursement portal. Only employees of the University are authorized to submit disbursement requests for campus funds.

3. **There are four basic criteria which determine the legitimate use of Foundation funds.**
   **a. The use must be reasonable and benefit KSU.**
   **b. The use must fall within the donor's intent for the gift.**
   **c. The use must not jeopardize the Foundation's tax-exempt status (such as political contributions).**
   **d. Use must comply with all applicable statutes and regulations.**

4. All disbursements must have written justification suitable for auditing purposes.

5. The following guidelines govern disbursements.

a. The person with signature authority and the Dean, Director or Vice President, or KSU President are responsible for ensuring that the use of funds meets the criteria outlined in number 2 above.

b. The University is exempt from Kansas sales tax for direct payments to vendors. When making purchases, provide the vendor with the University's sales tax exemption certificate as the Foundation is only the payment agent in the transaction and not the purchaser. Payments for Alcohol are still subject to the "Sin" tax.

c. The Account signer must ensure sufficient funds are available for disbursements. Check requests with insufficient funds will be held until additional deposits have been made. Updated cash balance information is available via FIN.

## Basic Guidelines

Substantiation rules under IRS code section 274 require every disbursement request must provide documentation justifying the business purpose of the expense. All disbursement requests are required to contain the following information who, what, where, when, why it benefits KSU (ie: the business purpose) and the Foundation fund number that is being used for the disbursement.

To facilitate providing the proper documentation, the Foundation has developed KSUF-5 Disbursement Request Form and KSUF-6 Travel/Entertainment or Other Expenses Form. One of these forms **must** accompany all disbursement requests. A **separate** form must be used for each payee. Only one KSUF-5 is required per check request.

In the occasional event that an invoice is lost, the individual must submit a lost receipt form and reimbursement will be allowed if the amount is less than $50.00 and a detailed description of the item purchased is provided.

A Frequently Asked Questions section is provided in Section 9. This section provides additional information and examples.

## University Travel

### Transportation Expenses

The Foundation can reimburse KSU employees for travel that benefits KSU and comply with IRS guidelines. It follows the University's travel reimbursement policy with some exceptions. **The Foundation can only pay actual expenses it cannot pay Per diem.**

The Foundation will reimburse for the most economical travel mode and direct route. Typically, this is economy air travel or a rental car instead of using a personal vehicle. If driving is chosen instead of flying, a cost comparison with appropriate back up documentation is required, and the lower cost will be reimbursed (see example below). Consistent with the University Policy, no cost comparison is needed if the destination is less than 400 miles away.

### Airline Travel

- An upgrade fee of $50 per leg and one standard-weight bag per leg are reimbursable without pre-approval.
- If no economy class is available, include a statement from the airline or travel agency.
- Any upgraded travel class requires pre-approval from a KSU President's Cabinet member and must be submitted with a travel claim.
- If first class airfare is chosen as an upgrade, the Foundation will only reimburse the economy rate. Provide the economy rate with your disbursement request.
- *All flight receipts must show the travel class*.

For airport parking, *only* the economy rate is reimbursable, not garage or valet rates.

### Private Aircraft Travel

Commercial flights are the standard mode of transportation, except in special cases. KSU-owned or chartered aircraft costs are reimbursed according to the "Private Aircraft Travel Policy." Contact accountspayable@ksufoundation.org for requirements prior to booking.

### Travel insurance and mileage reimbursement

Travel insurance is reimbursable with a signed form from a supervisor. Finally, if there are unique facts and circumstances surrounding the purpose of the travel (i.e. personal component associated with the trip), pre-approval by the KSU employee's supervisor and the Foundation's Controller should be obtained prior to expending the funds. If pre-approval is not obtained, the Foundation will **deny** reimbursement for the expenses.

The Foundation will reimburse personal car use at the current IRS mileage rate if it's the most economical option. Please Map Quest or Google Maps document that shows the mileage between the employee's Campus office and the location traveled to, or similar documentation.

Per IRS Guidelines, travel between an employee's domicile and their official Campus office is not a reimbursable travel expense. The Foundation will not reimburse for travel between the employee's domicile and their official Campus office.

**EXAMPLE** The Dean has a business meeting in Denver, CO. For personal reasons he/she has decided to drive from Manhattan to Denver. The round-trip mileage is 990 miles.

The airfare from Kansas City to Denver is $222. The cost of a rental car for travel to and from the airport is $100. The Foundation will reimburse $322 for the trip as this is less than mileage reimbursement which is $495 (990 miles x 50 cents).

**Lodging**

Lodging expenses are reimbursable when performance of job duties requires the employee to be away from home overnight.

The IRS requires itemized receipts **for all lodging charges** including itemized receipts for any room service meals charged to your room.

Charges for movies, spas, mini bar, exercise facilities or other items of similar nature are personal expenses and not reimbursable.

**Meals and Entertainment**

It is the policy of the Foundation to reimburse meals based on **actual expenses. The Foundation does not pay per diem and requires an itemized receipt for all meals**. An employee may ask for reimbursement for a meal expense if they are hosting or entertaining non-KSU employees in a business capacity or have job duties that require the employee to be away from home overnight.

When hosting in a business capacity, requests must clearly indicate the business purpose for the entertainment and demonstrate how the expenditure benefits KSU. Additionally, the date, name, title and company (if applicable) of person(s) entertained must be provided.

*In most instances colleagues from the same department who have a meal together which does not include extended day travel do not qualify for reimbursement*. One exception to this rule is if colleagues from the same department are entertaining a prospective employee or donor. A listing of all attendees and their designations (ie: professor, donor, candidate) should be included with the request.

Reimbursement is permissible for occasional and infrequent department-wide staff meetings or retreats. Documentation should include a list of all department personnel in attendance with titles, along with a copy of the meeting agenda.

Spouses/partners of official hosts shall **not** receive payment for meals not scheduled with an official function.

Snacks and beverages, unless they are part of the meal or when they substitute as a meal, are personal expenses.

Birthday celebrations are reimbursable up to one per month per business unit. Expenses for snacks such as cake, soda, chips, etc., are allowable.

Tips must not exceed 20% of the total bill, including the sales tax. See Frequently Asked Questions Q4 for additional information.

**Reimbursement of meals for KSU Employees**

In the normal course of a business day, employees are responsible for their own meals. The Internal Revenue Service has issued a substantial amount of guidance on meals and entertainment. However, there are instances where IRS rules would allow a reimbursement but either University or Foundation policy does not. Since the Foundation strives to be transparent with our donors, potential donors, and

comply with IRS regulations it is imperative that reimbursed expenditures be supported by documentation, such as an agenda, that shows the existence of a business purpose and how the expenditure clearly supports the KSU and Foundation mission.

The IRS provides several factors to determine business purpose:

- The expense must be "ordinary and necessary".
  - Ordinary expenses are those that are generally accepted and common in the industry in which you operate.
  - Necessary expenses are defined as helpful and appropriate for your business.
- The expense must pass either the "directly-related" or "associated" test.
  - Directly-related test requires that you meet the following three conditions:
    - The main purpose was business;
    - You engaged in business and;
    - You had "more than a general expectation of getting income or some other specific business benefit at some future point".
  - The associated test requires you to show:
    - The expense was "associated with the active conduct of your business" and;
    - The meal or entertainment was "directly before or after substantial business discussion." The expense is considered associated with your business if you can show clear business purpose, such as the creation of new revenue.

Rarely will colleagues going out to lunch be able to overcome these criteria.

So, are there times when it is acceptable for colleagues to go out to lunch? The answer is a tentative yes. The IRS provides several exceptions to the rules above for employee meals which we have listed below:

- De Minimis meals
  - Coffee, doughnuts and soft drinks provided to employees
  - Occasional meals to allow an employee to work overtime
  - Occasional parties or picnics for employees and their guests
- Meals on your Business Premises
  - These meals must be located on your premises and "furnished for your convenience."
- Meals while traveling away from home
  - Please note that it is our policy to reimburse one meal only after the work day has exceeded 10 hours.

For examples of this topic please see Frequently Asked Question Q11.

**Spouse/Partners**

The Foundation cannot reimburse any spouse/partner expenses for travel and/or meals unless the spouse/partner's presence is necessary at the function, and it benefits KSU. All non-essential spouse/partner expenses are personal expenses. See Frequently Asked Question Q1 for additional discussion and examples. Please consult accounts payable if you have additional questions prior to travel.

## Memberships

The Foundation will not pay for lifetime memberships in professional organizations.

## Credit card statements as documentation

A credit card statement which summarizes your monthly charges is NOT an adequate receipt for documentation purposes. You must provide the detailed credit card receipt that is given to you by a business. For example, a detailed meal receipt in addition to the credit card slip is required for all meals.

## Gifts to Non-employees

Non-employees of KSU may be given gifts in the form of cash, gift certificates or merchandise as a token of appreciation. If the item is a gift that was not in exchange for a donation or other services, there is no tax consequence to the recipient. Because gifts more than $25 are not deductible, it is the general policy of the Foundation that business gifts should not exceed $25. Gifts in excess of $25 should occur rarely and should have the approval of the Dean or the Department Head.

If a non-employee wins a prize associated with a fundraising event it is considered taxable income by the IRS and is reportable by the recipient. Therefore, it is necessary to provide an IRS form W-9 with the name, address and SSN for anyone receiving a prize. See Resources for link to Form W-9. The Foundation is required by law to provide a Form 1099 to any person who receives payments accumulating to $600 or more in a calendar year.

See Frequently Asked Questions 6 and 8 for additional explanation and examples.

## Payments to employees (including gifts/gift certificates)

Any additional compensation (awards, prizes, etc.) for KSU employees must be processed by Human Capital Services, included in the employee's payroll and then submitted for reimbursement by the Foundation. Gift cards given to KSU Personnel will be relayed to KSU Human Capital Services and the amount will be included in the employee's taxable income.

The IRS allows for de minimis fringe benefits to be provided to employees without taxation. A de minimis fringe benefit must be provided only occasionally. An essential element to a de minimis fringe benefit is that it is occasional or unusual in its frequency.

De Minimis fringe benefits are such items as:

- Occasional snacks, coffee, doughnuts, etc.
- Occasional tickets for theater or sporting events (see ticket purchase section for details)
- Holiday gifts, other than cash, with a low fair market value.
- Occasional meal money or transportation expense for working overtime
- Occasional parties or picnics for employees and their guests.

**Cash is never an excludable benefit and must always be included in taxable income**.

Gift cards or certificates that are redeemable for general merchandise or have a cash equivalent value are **not** a de minimis benefit and are taxable. A certificate that allows an employee to receive a specific item of personal property can be excludable if all the other rules are met.

For example:

- Visa gift card for $5.00 is always taxable
- Gift Card for $5.00 to XYZ restaurant is always taxable

- Gift Certificate for a free appetizer at XYZ restaurant is **not** taxable
- 4 Tickets to a Theater performance is **not** taxable

See Frequently Asked Question 7 for additional explanation and examples

## Payments to Foreign Entities

The Foundation will process checks/wires to foreign vendors for purchases of products, licenses or reimbursements. In instances where services were performed on a Kansas State University Campus (in the United States) by a non-US citizen, the Foundation will write a check to Kansas State University. Payment to a foreign individual will need to be processed through the University's Division of Financial Services personnel because they are better equipped to handle foreign reporting requirements. Examples of services include, but are not limited to, honorariums given to speakers or instances where representatives from foreign companies come to campus to install equipment or train employees.

## Payroll Reimbursement Documentation

There are numerous Foundation accounts that have been established by donors to provide funding in support of salaries for a specific College or Department. For example, donors have provided endowed "chairs" for a dean, professor or department head. There are other situations where the donor has if funds should be used to hire graduate assistants or provide other types of salary supplements. To ensure that funds are being used in the manner that the donor intended, it is important that the Foundation have appropriate documentation in its files showing that salaries have been paid to a person who meets the restrictions as established by the donor. For this reason transfers of funds in advance of the expenditure are not permitted.

To receive a reimbursement for salary expenditures, KSUF-5 or KSUF-6 should be utilized for this request. The HRIS payroll payments by account report should be provided to support the expenditure. It is preferred that requests for reimbursements be made at the end of each month to reduce the volume of the request. The reimbursement will be made payable to Kansas State University.

## Retirement and Achievement Gifts and Awards

Internal Revenue Code Section 274(j) specifies that gifts, honoraria and tangible personal property may be given to an employee for various reasons, such as, length of service (retirement) or safety achievement. Non-taxable awards may be provided to employees if certain rules are followed. These awards must be:

- Tangible personal property
- Cannot be disguised wages
- Must be awarded as part of a meaningful presentation
- Cannot be cash, cash equivalent (gift card or certificate), vacation, meals, lodging, theater or sports tickets, or securities.

Other limitations on these awards include:

- The recipient must be employed for five years to be eligible for such an award and the employee must not have received a similar award in any of the prior four years.
- If a **qualified plan** is in place, tangible personal property with a value up to $1,600 is permitted. KSU does have a qualified plan, and these expenses will be forwarded to KSU Human Capital Services.

Foundation funds may be used for these types of awards but *should not be used as a conduit for collecting employee monies and purchasing gifts*. If using existing funds, the University's policies with regards to qualification for an award must be followed. See http://www.k-state.edu/policies/ppm/4812.html

## Scholarship and Award Payments for Students

All payments for scholarships and awards are processed through the Office of Student Financial Assistance (SFA) to avoid causing a taxable event for the student. Please contact SFA with any questions you might have.

## Season Ticket Purchases and Usage

On an annual basis, University departments buy season tickets for events like Football, Basketball, and McCain performances to entertain donors, business partners, visiting professors, etc. The cost is covered by Foundation accounts

When employees attend these events for job-related duties (e.g., donor relations, visiting professors), it counts as a "business purpose" according to the IRS, so there are no tax consequences. Employees can invite their spouse or guest if the primary guest is bringing a spouse or guest without tax issues.

On occasion, there are unused tickets available. In those cases, it is at the discretion of the head of the department that purchased the tickets to determine when employees may be offered the opportunity to use the tickets (for non-business reasons) for attendance at the event.

The IRS provides an exception to taxation when employees receive de minimis fringe benefits (Internal Revenue Code Regulation 1.132-6(e) (1)). These rules provide a specific exclusion for the "Occasional (infrequent), **not routine"** benefit of theater or sporting event tickets. The law does not specify a dollar threshold for benefits to qualify as de minimis.

If an employee receives ticket benefits, **more than occasionally**, the value of the tickets must be included in their W-2 income and taxed at the employee's required tax rate.

The University will use the following guidelines to determine whether the usage of tickets will require taxation:

| | No Tax | Taxed |
|---|---|---|
| **Football ticket** – | 2 or fewer game tickets | More than 2 game tickets |
| **Men's Basketball ticket -** | 4 or fewer game tickets | More than 4 game tickets |
| **Women's Basketball ticket –** | 4 or fewer game tickets | More than 4 game tickets |
| **McCain Performance** | 4 or fewer event tickets | More than 4 event tickets |
| **Other** | 4 or fewer event tickets | More than 4 event tickets |

If an employee should be taxed on tickets received, the face value of a single ticket will be used.

An attendance roster must be provided to the Foundation as documentation for the expenditure for the season tickets. These rosters will be associated with the original expenditure for the season tickets. Rosters should be provided within one week of the date of the event.

**THESE TICKETS CANNOT BE USED FOR RESALE, BARTER OR EXCHANGE FOR GOODS OR SERVICES RESULTING IN PERSONAL BENEFIT. NON-COMPLIANCE WITH THIS POLICY MAY RESULT IN DISCIPLINARY ACTION AND/OR EMPLOYMENT TERMINATION.**

## Tuition payments for employees taking professional development courses at K-State

If a KSU employee is taking a professional development course through a KSU department you must submit a check request with backup to the Foundation and have the check made payable to your restricted fee account. The payment to the KSU department for the tuition should be made via an Inter-Fund voucher.

## Tuition payments for students

Tuition payments for students should be run through SFA as a scholarship. If this is not done, payments must be made via an Inter-Fund voucher and reimbursed back to the college fund that was used.

## Foundation credit cards

It is the Foundation's policy not to issue Foundation credit cards for funds held at the Foundation. The Foundation Board of Directors has reviewed and affirmed this policy.

## Non-Reimbursable Expenditures

- Airline Tickets purchased with frequent flyer miles or reward points
- Baby/Wedding Shower, birthday gifts and related expenses
- Contributions or gifts paid to political parties or candidates
- Clothing (except for clothing bearing departmental or program logo to be used while hosting an event or as a uniform or in a group travel situation)
- Credit Card Annual Fees
- Hands-free devices for cell phones (unless the cell phone is departmental property, and the device can be checked out for use by any persons who check out the cell phone)
- Hotel mini bar fees
- Interest charges on personal credit card
- Parking tickets and traffic violations
- Personal entertainment or recreation items (e.g. magazines, books, theater/movie/sporting event tickets, hotel in-room movies)
- Personal expenses (e.g. laundry, phone calls, toiletries, snacks, medication, etc.)
- Personal expenses incurred during business travel (e.g. child care, pet care, lawn care, snow removal, etc.)
- Theft of personal items which occurs during a business trip (e.g. luggage, GPS, iPad, laptop, cellular phone, etc.)
- Tuxedo or formal rental or purchase fees

## Accommodation loans

The Foundation offers payroll loans to KSU faculty and staff when payroll errors occur, capping the loan at 65% of the employee's gross pay for the period. These loans are not for future pay advances or to cover multiple instances of missed pay. They are not available to students or graduate students, who should use the Emergency Loan Program at the Office of Student Financial Assistance.

A request letter, including the employee's name, WID, gross paycheck amount, and missed pay period, must be signed by the Department Head and submitted via the accounts payable portal.

When picking up the loan check, borrowers are required to sign a promissory note with a Power of Attorney clause, allowing payroll deductions if the loan isn't repaid by the next pay date. These loans are interest-free if paid by the due date. However, if repayment is delayed, an interest rate of 14% will be applied, accruing from the issuance date.

Before requesting a loan, departments should consult Human Capital Services about supplemental payrolls. Loan checks are to be picked up and signed for at the KSU Foundation Reception Desk after 3:00 p.m. on the availability day; they will not be mailed.

## Travel loans

The Foundation offers 60-day travel loans to KSU faculty and staff traveling on University business. Loans are based on an approved KSU Out-of-State Travel Voucher signed by the necessary officials.

Loans can cover the entire amount on the travel request form or a portion of it **but exclude expenses paid directly by KSU**, such as airfare charged to a campus credit card. Airfare or train tickets should ideally be paid for by KSU.

The Foundation requires 48 hours to process the loan check after receiving the approved travel voucher. A service charge of $1 per $100 loaned is applied. Travel loan requests must be submitted before the travel dates.

Employees must sign a promissory note with a Power of Attorney clause, allowing the KSU Human Capital Services Office to deduct unpaid amounts from their payroll if not repaid within five working days of reimbursement. The loan balance is due 60 days after issuance, with a 14% annual interest rate applying retroactively if not repaid on time.

Loans must be picked up and signed for in person at the Foundation's Reception Desk after 3:00 p.m. on the day they are ready. Delinquent loans may affect future loan availability for the employee to receive future loans. The Foundation may deny loans to departments with members who have unpaid balances.

## Moving/House hunting Expenses

With the passing of the Tax Cuts and Jobs act of 2017 (PL 115-97) all moving expenses are taxable compensation to the employee. However, the Foundation still may reimburse for moving expenses to newly hired unclassified employees under the Kansas Civil Service Act.

Moving expenses must be handled as follows:

The employee is required to pay their moving expenses directly. The Foundation cannot pay any third party vendors directly (i.e. a moving company). The employee should complete and submit a reimbursement request on the KSUF-6 Travel/Entertainment or Other Expenses Form. The payee will be Kansas State University and **NOT** the employee. Copies of all itemized receipts for moving expenses, MapQuest/Google Maps information for mileage, lodging receipts, DA-22, 3 quotes from the moving company, etc., should be attached. The Foundation will issue a check to Kansas State University and forward it to Human Capital Services for processing.

House hunting expenses are also treated as compensation to the employee**.** These will be treated in the same way as moving expenses. All payments will be made out to Kansas State University and forwarded onto Human Capital Services to include the monies in the employee's paycheck.

If there are any additional questions regarding the taxable consequences, please contact Human Capital Services.

## Cellular Devices/Phone Bills

### Business Cell Phones

The University cell phone policy can be found here (http://www.k-state.edu/policies/ppm/6330.html). The Foundation will follow the University's policy and prefers to reimburse KSU for any business cell phone payments.

### Personal Cell Phone

To be reimbursed from Foundation funds for business-related use of personal cell phones, University employees must submit an itemized billing statement. The Foundation does not reimburse any portion of standard cell phone fees. However, it can cover additional charges, such as international service fees incurred while traveling on behalf of KSU.

## Campus Parking Passes

Foundation funds may **not** be used to pay for employee parking passes or the parking garage. With regards to vendor and service parking permits, the University has instructed the Foundation that these are allowable expenses.

The Foundation will reimburse for visitor parking passes if the business purpose is documented.

## Parking Tickets

The Foundation will not reimburse for **any** parking tickets. These are personal expenses.

## Transfers of KSU Foundation Funds to Sponsored Project Account

Donors may contribute monies to the Foundation and specify that the funds be used for research. To document that the funds are being used in a research project, it is desirable to transfer the funds to the University to be managed through the Office of Research & Sponsored Programs and accounted for through the Division of Financial Services, Sponsored Programs.

To ensure that the monies are allocated and utilized properly, the Foundation has coordinated with the Office of PreAward Services, which is a department within the Office of Research & Sponsored Programs, to develop a process for the proper approvals and transfer of funds.

The **KSUF-9 Sponsored Project Certification** form has been developed to assist University personnel in the documentation process and the actual transfer of monies from the Foundation to the University. The form is located on the Foundation web site at: https://ksufoundation.org/wp-content/uploads/2022/06/KSUF-9.pdf or it may also be found on the University's Office of Research & Sponsored Programs web site at: http://www.k-state.edu/research/faculty/submission/forms/KSUF-9-Sponsored-Project-Certification.pdf.

The KSUF-9 form should be used for the initial set up of a Sponsored Project as well as for additional transfers of available funding on existing projects. To ensure that a donor's intent is being followed, the Memo of Understanding (MOU) that the donor has signed should be reviewed. To facilitate this process, a copy of the MOU should be attached to the KSUF-9 Form. If you don't have a copy of the MOU, please contact the Foundation Stewardship department and a copy will be provided. Finally, KSUF-9 form will serve as the source document for requesting a check which will transfer the funds to the University. The check request should provide information regarding the specific intended use of the funds that are being transferred.

The signed KSUF-9 and the requested check (made payable to Kansas State University) will be forwarded to the Office of PreAward Services.

For the Foundation to have information regarding the ultimate expenditure of the funds transferred to the University, an annual expenditure reporting is required. This report should be provided at the end of each fiscal year (June 30), no later than September 30. The Division of Financial Services, Sponsored Programs, is responsible for providing this report.

## Completing the KSUF-5 Disbursement Request Form

The KSUF-5 Disbursement Request Form **should** be used whenever requesting a payment direct to a vendor, or whenever reimbursing an individual for services rendered. This form may also be used in the situation where an individual is being reimbursed for out-of-pocket expenses.

Whenever there is a request to reimburse an **individual** for multiple out-of-pocket expenses such as travel, supplies, books, or dues the KSUF-6 Travel/Entertainment and Other Expenses can be used. See following section for further discussion.

If this is the first time you have requested payment to the vendor, you should complete all Payee information including payee name, payee address, and payee identification number (i.e. FEIN or SSN). Please attach a completed IRS Form W-9 with your reimbursement request. If there has been an address change by the vendor, please complete the payee address information. If this is an established vendor with no changes, you need only complete the Payee name information.

An original invoice or receipt is required for all purchases and reimbursements. They must be submitted with the KSUF-5 form. If the invoice has been lost and cannot be reproduced, a statement must be attached to the KSUF-5 form that has been signed and approved by the person with authority to expend monies from the fund.

Complete all sections of the form that provides the purpose/justification of the expense. If the payment is for a meal or entertainment, a listing which includes the name, title, and company (if applicable) of each attendee must be attached. If the number of persons attending the event is 20 or more, a detail listing is **not** required, however, some type of documentation must be provided that shows the nature of the event. For example, a meeting agenda, an invitation to an event, or a listing of persons invited should be included.

Always complete the "CONTACT NAME" section of the form. This allows us to contact the correct person if any questions arise regarding the payment request.

The form should be signed by a person from the department who has signature authority for expending monies from the Foundation fund.

## Completing the KSUF-6 Travel/Entertainment and Other Expenses Form

The KSUF-6 Travel/Entertainment and Other Expenses Form **should** be used whenever requesting reimbursements for travel and entertainment expenses for an individual, or when a payee has multiple invoices to be reimbursed for.

All expense sheets must be accompanied by original receipts. Foundation policy does not allow payment of per diem. All travel and entertainment expenses must comply with IRS regulations and state the business purpose for reimbursement.

Travel expenses include lodging, airfare, mileage, gas, taxi fares, tolls, parking, charges for use of hotel telephone or fax, tips, or meals. You may be reimbursed for your gasoline or mileage on a trip. Attach a copy of your itinerary whenever possible. Please note that Foundation funds may not be expended for first class travel.

For all expenses, the description should be as complete and concise as possible. When entertaining donors or business contacts please provide names, title, company and a description of the type and purpose of business discussion. The general rule is that the Foundation will not reimburse for spouse/partners unless there is a clear business purpose. Please review Frequently Asked Questions-Q1 for further information and examples.

Organize receipts by date and expense type and image. Enter the information into the KSUF-6 form in the same order as the images. There is a supplemental form (page 2) available for overflow invoices.

Receipts in foreign currency must refer to the exchange rate used and a copy included with the request showing the U.S. dollar equivalent.

**Certification of Expenses** – The certification section must be signed by the person requesting the reimbursement and the person with signature authority for expending monies from the Foundation fund.

# Section 4 Fund Administration

## Types of Funds

Funds can be divided into categories: Expendable (income) funds, which are immediately available for use, and Endowed (principal or corpus) funds, which are invested into the Foundation's long-term investment pool.

The Foundation's funds fall into three types:

- Expendable: Contributions are immediately available and not invested.
- Term Endowed: Contains both expendable and principal portions, with the principal invested. A minimum of $50,000 required for investment. The principal can be converted to expendable upon request.
- Permanently Endowed: Like Term Endowed with the same $50,000 requirement, but the principal cannot be converted to expendable and must be maintained in perpetuity.

### Earnings Distributions

Endowed funds, both term and permanent, receive distributions to purpose (income) at the end of each quarter. See the section below for details Long-Term Investment Pool and Reporting. A Term Endowed fund can also specify an amount in the MOU.

**Fees**

Gifts are subject to the University Advancement Fee (UAF) of 5% which is truncated to an even dollar amount. For larger gifts and commitments, the amount of the fee is tiered as follows:

• 5 percent on gifts up to $5 million
• 2.5 percent on the next $5 million ($5 million through $10 million)
• 1 percent on all above $10 million.

For gifts splits between Income and Principal, the UAF will be charged against the principal portion. For deferred gifts and real estate, the fee is assessed when the cash is recognized in the fund. For additional information on the UAF, please visit www.found.ksu.edu and see FAQs.

Term Endowed funds are subject to a liquidity fee of 0.5% annually, prorated quarterly. This covers additional administration costs associated with these funds.

**Establishing Funds MOU**

The Memorandum of Understanding is the legal agreement between the donor, the University and the Foundation documenting the type of fund, the donor's intent for use of funds and who is authorized to make expenditures, as well as other administrative procedures. Any changes to these funds must be made with a superseding MOU that is signed by the individual donor(s) or corporation that established the fund. These documents are prepared by the Development Officer and processed through Compliance Services.

**Fund Request**

The Request to Open an Expendable Fund form is used to create expendable non-scholarship funds that do not have an external primary donor. These funds are typically created by a University college or department for a specific need. They are modified/updated using the Request to Modify an Existing Fund form. Sample Forms are available in the forms section. These documents are submitted by an individual requestor and must be approved by Development and Compliance Services.

**Signature Authority**

The administrative responsibility for the fund is specified in the MOU or fund request. For changes in signature authority, there is a form available as addressed in Section 3 Disbursement Policy. The Sample Form is in the forms section.

**Fund Setup**

A fund number is assigned based on college, whether expendable or endowed, and scholarship or non-scholarship.

Fund attributes are determined by the MOU/Fund Request and describe the fund. These are used for various reports including FIN access and customized reporting.

## Fund Transfers

Occasionally, colleges may wish to transfer monies between accounts within the Foundation. To transfer monies between the expendable portion of funds the KSUF-8 should be used. Please note, it is not advisable to use a transfer between donor funds as this does not provide a good trail for donors as to the detail behind how their monies were spent. When at all possible the expenses should be directed to the proper fund and not paid out of another one and "reimbursed" through a transfer.

If a donor gift is designated incorrectly, you should work with your development staff to move it to the correct fund. Transfers should not be used to move donor contributions between funds.

## Funds Reinvestment

**Campus established funds**. From time to time, it may be desirable to transfer expendable monies for the purpose of establishing an endowment or to increase the endowed portion of an existing fund. These monies may be placed in a newly created term-endowed fund or the term-endowed portion of an existing fund. These monies will be subject to liquidity fees. There is an expectation that the transferred monies should remain in the term endowed portion for a 10 year period.

> **Exception:** Reinvestments of monies from funds whose purpose is to provide scholarships are generally not allowed. Approval from the Gift Acceptance Committee is required to allow for the investment of scholarship funds.

**Donor established funds.** In instances where it is desirable to request a reinvestment for a fund that was established by a donor, living donors must be notified and their permission received. If donors are not living, then the Gift Acceptance Committee must approve the transfer. Living donors may request that reinvested dollars be applied to the permanent endowment or to the term-endowed portion of the fund.

In all instances. Whenever a request for reinvestment is made, the Fund Reinvestment Request form should be used.

### Ongoing Administration

Funds with special administration instructions are reviewed daily, monthly, quarterly, annually or as appropriate as indicated by the pledge, MOU, Fund Request or donor instructions.

Contact your development officer for specific gift instructions.

# Section 5 Student Organizations

The Center for Student Involvement will determine if a student organization is a registered Departmental Student Organization (DSO) or an Independent Student Organization (ISO). That determination is made based on criteria in the policy, but for a group to be a DSO it requires an agreement of the department/unit and the organization.

The approach around account treatment for each student organization is as follows:

## Sponsored Student Organizations

- Foundation Accounts
  - Private direct donations to Foundation
    - Scholarships, Excellence, Other
    - Derived directly from Corporations, Households, Not for Profits, etc.

## Affiliated Student Organizations

- Foundation Accounts
  - Private donations to Foundation
    - Scholarships
      - New Donations - Foundation will accept new donations with preference criteria around an ASO
      - Existing Funds – continue to award based on fund criteria as documented in Memorandum of Understanding ("MOU")
    - Other
      - If you wish to discuss setting up a Foundation account for a purpose other than scholarships, please contact the Foundation.

# Section 6 Accessing Fund Financial Information

Access to the fund information is available through the Foundation Information Network (FIN). There are three major reporting areas as described below. Ascend access is administered through the Alumni Association.

**Obtaining access to FIN/Ascend**

To obtain the Campus Reports access, please complete the FIN/Ascend access form that is available on the website ( https://ksufoundation.org/wp-content/uploads/2024/12/Access-FIN-ASCEND-Oct2024-with-portal-box.pdf ).

There are several different accesses: Fund Accounting Reports, Online Database, Accounting Portal and Donor Information. Please select the appropriate choices. All FIN users have Fund Finder.

There are also three levels of access – College, Department and fund level. For fund level, please include which specific funds are required. If it is additional access to an existing account, please note that as well.

Additionally, those submitting disbursement and transfer requests should check off the box to get access to the Accounting Portal.

The FIN/Ascend Access form must be signed by a Dean or VP level position and then sent to the Alumni Center as shown on the form. They will route it to the Foundation.

Once established, Foundation Accounting staff will send an e-mail with the login, password, and some introductory instructions. The login is the username followed by @**found**.ksu.edu. Please note that this is different from a campus email or login.

**Foundation Information Network (FIN)**

Access to FIN is through the following website:

https://ksufound.sharepoint.com/FIN/SitePages/Home.aspx

It can also be easily accessed via the www.ksufoundation.org website under Students, faculty and staff.

Once logged in, the dashboard will be the first page. It will provide information regarding which months are finalized, as well as any announcements and which Foundation staff should be contacted with questions on different issues. It also provides links to policies and forms on the left. It will have a link to Campus-Reports at the top that will access Accounting Reports, and Fund Finder.

**Accounting Reports**

These reports may all be run for individual funds, all department funds or all college funds. The date ranges may be any time from July 1997, through the end of the current month. However, please note which months are finalized and which recent months may have transactions still to be posted as noted on the report footer and the FIN dashboard.

Expendable Cash Transaction Register – This is like a checkbook for your fund. Shows transactions and cumulative balance.

Principal Cash and Pooled Fund Activity – This shows contributions, investments/divestments and revaluation of principal.

Fund Balance Summary with Cash – Summarizes expendable and principal balances, usually for a department or college.

Balance Sheet – This shows 3 columns (Income, Principal, Total) with detail behind balances, including pledges, life insurance CSV, etc.

Income Statement –This summarizes activity over a period of time by revenue and expense category.

Contributions Report – This details all contributions including amount and donor over a specified period of time.

You may also hover over the report type for a more detailed description of the report output.

**Fund Finder**

This is available to all FIN users. This includes information on each of the funds that includes the Formal Title, the expendable/endowed status, and the purpose as well as additional information on the use of funds. It can be run for Open and Pending (those awaiting a deferred commitment), the default, or to include Closed funds or exclude Pending funds.

Please see more detailed information in the FIN Campus Users Guide, which is available without login privileges at https://ksufoundation.org/wp-content/uploads/2022/06/FIN-Campus-Users-Guide-FINAL.pdf.

**Ascend —Donor Database**

This system is administered by the Alumni Association. Please contact alumni@k-state.com for additional information.

# Section 7 Long-Term Investment Pool and Reporting

The following section is an overview of the Endowment Pool. The following sections are examples of how the different endowment pool transactions look on the campus reports available on FIN.

## Endowment Pool Overview

The endowment pool consists of about 130 different investments that are held in one portfolio. Campus funds buy shares of this pool of investments, like a mutual fund. The pool is valued on the last day of each quarter and a share price is assigned. The unrealized gain/loss is calculated for each fund using this share price on the last day of each quarter.

KANSAS STATE UNIVERSITY
FOUNDATION

**Principal Cash and Pooled Investment Activity**
**From: 10/1/2015 to 1/1/2016**

**Principal Cash Activity**

[redacted]

| Date | Journal Reference | Principal Cash | Balance |
|---|---|---|---|
| | **Beginning Cash Balance** | | **$0.00** |
| 10/30/2015 | CONTRIB-2015-10-30 | $500.00 | $500.00 |
| 10/30/2015 | UNIV ADV FEE-2015-10-30 | ($25.00) | $475.00 |
| 1/1/2016 | PURCHASE POOLED ENDOWMENT SHARES | ($475.00) | $0.00 |
| | **Ending Cash Balance** | | **$0.00** |

**Pooled Investment Activity***

[redacted]

| Date | Journal Reference | Pooled Investment | Balance |
|---|---|---|---|
| | **Beginning Pooled Investment Balance** | | **$30,162.45** |
| 12/31/2015 | <Reversal>UNREALIZED POOLED FUND A GAIN LOSS | $1,044.52 | $31,206.97 |
| 12/31/2015 | UNREALIZED POOLED FUND A GAIN LOSS | ($1,475.40) | $29,731.57 |
| 1/1/2016 | PURCHASE POOLED ENDOWMENT SHARES | $475.00 | $30,206.57 |
| | **Ending Pooled Investment Balance** | | **$30,206.57** |
| | **Ending Total Balance** | | **$30,206.57** |

* This activity and balance only reflects the pooled fund investment. It does not include other principal assets such as real estate, other investments, etc. Please see the balance sheet report for the value of these items.

The report contains two separate lines, one for the reversal of the previous quarter's gain or loss and one for the current quarter's gain or loss. The sum of the two lines will equal the unrealized gain or loss for that quarter.

## Endowment Pool Value

There are three things that affect the value of the pool:

1. Management fee - The Foundation charges a 1.4% management fee to fund operations. This fee comes directly out of the pool, not the individual funds, so the effect can't be seen in each fund, but it does decrease the market value of the pool as a whole.
2. Distributions - Quarterly distributions are made to each fund invested in the pool. These also decrease the value of the pool.
3. The value of the investments themselves, which can increase or decrease in value.

## New Investments into the Pool

New investments are made on the first day of each quarter. Any principal cash received in the prior quarter is invested using the current share price. New investments must be at least $50,000, before the University Advancement Fee. For example, a $50,000 donation results in $47,500 after the UAF fee, and this fund will be invested. Stock gifts must also have a cash value of at least $50,000 before the fee. Once invested in the pool, any additional contributions in the quarter will be invested, regardless of amount.

KANSAS STATE UNIVERSITY
FOUNDATION

**Principal Cash and Pooled Investment Activity**
**From: 10/1/2015 to 1/1/2016**

**Principal Cash Activity**

[redacted]

| Date | Journal Reference | Principal Cash | Balance |
|---|---|---|---|
| | **Beginning Cash Balance** | | **$0.00** |
| 10/5/2015 | CONTRIB-2015-10-05 | $25,000.00 | $25,000.00 |
| 10/5/2015 | UNIV ADV FEE-2015-10-05 | ($1,250.00) | $23,750.00 |
| 1/1/2016 | PURCHASE POOLED ENDOWMENT SHARES | ($23,750.00) | $0.00 |
| | **Ending Cash Balance** | | **$0.00** |

**Pooled Investment Activity***

[redacted]

| Date | Journal Reference | Pooled Investment | Balance |
|---|---|---|---|
| | **Beginning Pooled Investment Balance** | | **$71,178.59** |
| 12/31/2015 | <Reversal>UNREALIZED POOLED FUND A GAIN LOSS | $2,819.66 | $73,998.25 |
| 12/31/2015 | UNREALIZED POOLED FUND A GAIN LOSS | ($3,836.47) | $70,161.78 |
| 1/1/2016 | PURCHASE POOLED ENDOWMENT SHARES | $23,750.00 | $93,911.78 |
| | **Ending Pooled Investment Balance** | | **$93,911.78** |
| | **Ending Total Balance** | | **$93,911.78** |

* This activity and balance only reflects the pooled fund investment. It does not include other principal assets such as real estate, other investments, etc. Please see the balance sheet report for the value of these items.

## Underwater Funds

A fund is underwater if the market value of the pooled fund investment is less than the contributed value. Contributed value is the original contribution amount from a donor to a permanently endowed fund that must be maintained in perpetuity. Unlike permanently endowed funds, term endowed funds will never be underwater as the principal can be spent. The amount that a fund is underwater affects the amount of the distribution to purpose. This is discussed in the next section.

## Distributions

The distribution rate is calculated on June 30th each year. It is determined based on the average unit value of the portfolio over the previous 12 quarters at that point in time. Currently the distribution rate is 4.3%. The rate is calculated per share, so the distribution will remain consistent throughout the year unless there is a change in the number of shares. This approach ensures consistency, allowing colleges and departments to plan accordingly. Distributions are made quarterly on September 30th, December 31st, March 31st, and June 30th.
Permanently Endowed fund's first year's earnings are reinvested in Principal to enhance long-term viability.  This is referred to as the "Holding Period." Distribution Policy

Distributions to purpose are made quarterly and can be affected if an individual fund is underwater. If the fund is not underwater, it will receive 100% of the distribution to the expendable portion.

- If the fund is less than or equal to 7.5% underwater, 100% of the distribution will go to the expendable portion of the fund and can be spent for purpose.
- If the fund is greater than 7.5% and less than or equal to 15% underwater, 50% of the distribution will go to the expendable portion of the fund and can be spent for purpose and 50% will go to principal to be reinvested.
- If the fund is greater than 15% underwater, no distribution will be made into the expendable portion – all the distribution will be re-invested.

Reinvested distributions increase the market value, but do not increase the contributed value. Therefore, reinvested distributions help keep a fund out of underwater status.

Normal Distribution to Purpose:

KANSAS STATE UNIVERSITY FOUNDATION

**Expendable Cash Transaction Register**
**From: 9/30/2015 to 1/31/2016**

| Date | Check Number | Journal Reference | Amount | Balance |
|---|---|---|---|---|
| | | **Beginning Cash Balance** | | **$114,291.73** |
| 9/30/2015 | | POOLED MARKET DISTRIBUTION ALLOCATION | $3,990.21 | $118,281.94 |
| 12/31/2015 | | POOLED MARKET DISTRIBUTION ALLOCATION | $3,990.21 | $122,272.15 |
| | | **Ending Cash Balance** | | **$122,272.15** |

Held Distribution:

KANSAS STATE UNIVERSITY FOUNDATION

**Principal Cash and Pooled Investment Activity**
**From: 10/2/2015 to 1/31/2016**

**Principal Cash Activity**

| Date | Journal Reference | Principal Cash | Balance |
|---|---|---|---|
| | **Beginning Cash Balance** | | **$0.00** |
| 12/31/2015 | POOLED MARKET HOLDING ALLOCATION | $288.18 | $288.18 |
| 1/1/2016 | PURCHASE POOLED ENDOWMENT SHARES | ($288.18) | $0.00 |
| | **Ending Cash Balance** | | **$0.00** |

Underwater Distribution:

KANSAS STATE UNIVERSITY
FOUNDATION

**Principal Cash and Pooled Investment Activity**
**From: 10/2/2015 to 1/31/2016**

**Principal Cash Activity**

[redacted]

| Date | Journal Reference | Principal Cash | Balance |
|---|---|---|---|
| | **Beginning Cash Balance** | | **$0.00** |
| 12/31/2015 | POOLED MARKET DISTRIBUTION ALLOCATION | $236.61 | $236.61 |
| 1/1/2016 | PURCHASE POOLED ENDOWMENT SHARES | ($236.61) | $0.00 |
| | **Ending Cash Balance** | | **$0.00** |

## Term Endowed Liquidity Fee

Since there is more maintenance required on term endowed funds, a 0.5% annual fee is charged quarterly to these funds. Like the distributions, it is calculated on a per share basis on June 30th each year. This fee comes directly out of each individual fund. It reduces the amount that is available to be spent in that fund.

KANSAS STATE UNIVERSITY
FOUNDATION

**Expendable Cash Transaction Register**
**From: 10/2/2015 to 1/31/2016**

[redacted]

| Date | Check Number | Journal Reference | Amount | Balance |
|---|---|---|---|---|
| | | **Beginning Cash Balance** | | **$5,563.29** |
| 12/7/2015 | | [redacted] | ($2,500.00) | $3,063.29 |
| 12/31/2015 | | POOLED MARKET DISTRIBUTION ALLOCATION | $633.86 | $3,697.15 |
| 12/31/2015 | | TERM END LIQUIDITY FEE | ($70.57) | $3,626.58 |
| 1/10/2016 | | [redacted] | ($2,500.00) | $1,126.58 |
| 1/13/2016 | | CONTRIB-2016-01-13 | $2,500.00 | $3,626.58 |
| | | **Ending Cash Balance** | | **$3,626.58** |

# Section 8 Sample Form Links and Examples

A link to the Foundation's website is provided after the name of each form. A paper copy of each form is provided in each section. You are encouraged to use the on-line version of the form. It is a PDF document that can be opened using Adobe Reader. Functionality has been extended to the document which allows for entering information and saving the entered information. If you wish to create templates that have recurring information entered, the forms will allow this. You **SHOULD NOT** make any changes to the forms. If there is information that needs to be communicated in addition to the form, please provide it in an attachment.

All forms are available on the Foundation website, with or without login privileges.
https://ksufoundation.org/accounting-forms/

Open hyperlink to view form.

**KSUF-1 Contribution Transmittal Form**

**KSUF-2 Gift-In-Kind Form**

**KSUF-3 Benefits Received Form (quid pro quo)**

**KSUF-4 Non-Contribution Form**

**KSUF-5 Disbursement Request Form**

**KSUF-6 Travel/Entertainment or Other Expenses**

**KSUF-7 Signature Authority**

**KSUF-8 Fund Transfer Request Form**

**KSUF-9 Sponsored Project Certification**

### Request to Modify a Fund

http://www. ksufoundation.org/fin-external/forms/Request_to_Modify_a_Fund.pdf

### Request to Open a Fund

http://www. ksufoundation.org/fin-external/forms/Request_to_Open_a_Fund.pdf

### FIN Registration Form

https://ksufoundation.org/wp-content/uploads/2024/12/Access-FIN-ASCEND-Oct2024-with-portal-box.pdf

## KSUF-1 Contribution Transmittal Form SAMPLE

KSUF-1 Contribution Transmittal Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

The following PDF form should be used for transmitting Contribution Deposits.

A separate form should be submitted for each type of deposit (e.g. contribution, Gift-in-Kind, contribution with benefits received).

This PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional.

If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form, and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Christy Scott via e-mail at christys@found.ksu.edu.

## KSUF-1 Contribution Transmittal Form SAMPLE

KSUF-1 Contribution Transmittal Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 - www.found.ksu.edu

Print Form

Date

Fund #

Fund Name

INSTRUCTIONS:
1. This Form should be attached to any transaction where the recipient should receive a Gift Receipt.
2. If the donation is a Gift-In-Kind, please use KSUF-2 GIK Form.
3. If the donor receives benefits attached to the donation, please also attach KSUF-3 Benefits received Form or your own form.
4. Please submit one (1) form for each type of Gift.
5. Please limit number of transactions per batch to approximately 35.
6. Cash and Checks may be remitted together. **Credit Cards (by type) must be submitted in separate batches.**
7. Please provide adding machine tape which includes a subtotal for cash and checks or provides a total of all credit cards submitted.
8. Please provide Donor name and address if it is not clearly stated on the check or donation card.
9. Deposits which have NO contribution component should be remitted with the KSUF-4 Non-Contribution Form.

Whenever possible, checks should be made payable to the Kansas State University Foundation. Checks made payable to Kansas State University or any University entity, such as a college, department or program which clearly represents gifts to the University, may be deposited in the appropriate Foundation fund.

**TYPE OF DEPOSIT: (Check one)**

GIFT
(will receive an acknowledgement)

☐ Gift/Contribution (cash, check, credit card)

☐ Contribution with Benefits Recvd (attach KSUF-3 Benefits Recvd Form or your own form)

**TYPE OF ASSET**

**Bank deposit procedures require Cash, Checks and Credit Cards to be remitted separately.**

☐ Cash (Hand delivery recommended)

☐ Check (Limit of 35 checks per transmittal)

☐ Credit Card Check one: ☐ MC/Visa ☐ Discover ☐ AmEx

**Total deposit enclosed**

FOR AUDIT PURPOSES
1). Please attach copies of all correspondence relative to the deposit.
2). Please review all checks to verify that Dollar amount and Written amount are in agreement.
3). KSU Foundation cannot accept funds if they involve contract deliverables, fees-for-services, proprietary research, DCE or sales of State property.
4). All deposits and attachments will be imaged. Paper copies are retained for three months, and then shredded.
5). Credit Card information will only be retained for the period necessary to ensure proper collection of funds.

**CONTACT INFORMATION**

Name: PH Number Dept:

Kansas State University Foundation (Rev. 04/2017)

**KSUF-2 Gift-In-Kind Form SAMPLE**

KSUF-2 Gift-In-Kind Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Ave., Suite 200
Manhattan, KS 66502

Print Form

The following PDF form should be used for providing information to document a Gift-In-Kind donation

This PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional.

If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form, and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Deb Depew via e-mail at debd@found.ksu.edu.

FEATURES OF THE FORM:

1). Fill-in boxes will automatically change the 'font' size to fit the information that you type into the space available.

## KSUF-2 Gift-In-Kind Form SAMPLE

KSUF-2 Gift-In-Kind Form

KANSAS STATE UNIVERSITY
**FOUNDATION**
1800 Kimball Ave., Suite 200
Manhattan, KS 66502

Print Form

**Date** _____

**DONOR INFORMATION**

Name _____ Donor ID # (if available) _____

Address _____ City _____ State ____ Zip Code _____

**GIFT DESCRIPTION**

Provide Donor intended use, Equipment brand, Model #, Serial # and Condition of property. Attach Documentation

**GIFT VALUATION**

Donor's Valuation of Gift: _____

**BASIS FOR VALUATION OF GIFT**

☐ Sales Quotation or Invoice ☐ Market Price ☐ Outside Appraisal ☐ Other (please describe) _____

**NOTES TO DONOR(S):**

KSU Foundation gratefully acknowledges your in-kind contribution. The following information is being provided for your convenience and does not constitute legal advice on behalf of the KSU Foundation or its employees.

**You are strongly encouraged to consult with your tax advisor:**

* To claim a tax deduction for in-kind gifts valued between $500 and $5,000, the donor must complete Part I of IRS Form 8283 and attach it to their tax return
* For gifts that exceed $5,000, the donor must:
  ** Complete ALL parts of IRS Form 8283 and submit the complete form to KSU Foundation for a signature.
  ** Submit a certified appraisal dated no more than 60 days from the date of the donation. The appraisal must be prepared, signed and dated by a qualified, third-party appraiser.

*The value of any item, regardless of the amount, is used for internal gift reporting only--the KSU Foundation does not include the estimated value on a donor receipt or acknowledgement. It is the responsibility of the donor to substantiate the fair market value for his/her own tax purposes.*

My signature below verifies that I donated the property listed above to the Kansas State University Foundation. In doing so, I hereby relinquish all claims to ownership of said property.

Donor's Signature _____ Date of Gift: _____

**UNIVERSITY OFFICE**

Fund # _____ Fund Name _____

Person completing form _____ Department: _____ Campus Phone _____

Location of property recvd _____ Exempt use of property _____

Signature-Department Head _____ Date _____ Signature-Dean _____ Date _____

Print Name-Department Head _____ Print Name-Dean _____

KSU Foundation Use Only

Donor #_____ Gift Date_____ Fund # _____ Campaign Code _____

Account # _____4004/3105 Artwork (A) _____4007/3108 Furnishings (G) _____4001/3113 Rental Service (M)
_____4012/3109 Books & Pub (B) _____4002/3112 Auto, Boat, Plane (J) _____4201/3109 Construction (N)
_____4005/3106 Computer (D) _____4009/3110 Prof Services (K) _____4025/3109 Other (O)
_____4006/3107 Equipment (E) _____4003/3111 Livestock (L)

Approved by _____ Date approved_____

KSU Foundation (REV 09/2016)

## KSUF-2 Gift-In-Kind Form SAMPLE

KSUF-2 Gift-In-Kind Form

KANSAS STATE UNIVERSITY
**FOUNDATION**
1800 Kimball Ave., Suite 200
Manhattan, KS 66502

Print Form

### GIFT-IN-KIND ACCEPTANCE INSTRUCTIONS

In order to claim a gift of real or personal property (gift-in-kind) to KSU as a charitable tax deduction, the donor must have an acknowledgment of the gift from the KSU Foundation. KSUF-2 Gift-In-Kind Form must be completed by the KSU College or Department that receives the gift-in-kind property in order for the KSU Foundation to process and acknowledge the gift.

The KSUF-2 Gift-In-Kind Form is divided into four sections as follows:

The **Donor Information** section requires the donor's name, address, date of gift and signature. In the case it is not feasible to have the donor sign the form, a letter or note from the donor which confirms the gift and the donor's intent must be attached to the KSUF-2 Gift-In-Kind form.

The **Gift Description** section is to identify the gifted property, confirm the donor's intended purpose for the property and the amount or volume given. If equipment is donated, please also provide the identifying information such as the equipment brand, model, serial number and the condition of the property (i.e. new, used, or reconditioned). Please provide any available documentation from the donor, i.e. invoice, registration papers, certification etc.

The **Gift Valuation** section is used to establish the value and the method of valuation for the gifted item(s). The value assigned must be supported by adequate documentation, including invoices, outside appraisals, price lists, etc. Gifts valued in excess of $5,000 (a single item or group of similar items) are required, by the IRS, to be supported by a certified appraisal, completed within 60 days of the date of gift. The value assigned will be used by the KSU Foundation to determine the gift credit amount. However, the amount will not be noted on the gift receipt. The value allowed by the IRS for the tax deduction may be different from the gift credit amount. The donor is encouraged to consult with their tax advisor concerning the deductible amounts for each situation and to determine the documentation required by the IRS.

The KSU Foundation will acknowledge having received the gift by mailing a receipt to the donor. If the donor submits a completed IRS Form 8283 (Noncash Charitable Contributions) to the Foundation, the Foundation will sign and return the form to the donor. Additionally, the KSU Foundation is **required** by the IRS to file an IRS Form 8282 (Donee Information Return) for gifted items valued at more than $5,000, if the property is sold or disposed of **within three (3) years** of the date of the gift. The donor(s) will receive a copy of the 8282 which will list the "Amount Received Upon Disposition." This does not apply to gifted items that are consumed while fulfilling the University related purpose.

The value of a gift of an automobile, boat or airplane will be limited to the gross proceeds from the sale of the property by the Foundation.

The **University Office** section is to be completed by the receiving college or department. The department should include the fund designation for the gift item(s), the purpose or intended use by the college and the location of the property after receipt. **The Dean and Department Head must acknowledge their acceptance of the gift by signing in the "Approval Signature" line.**

It is the responsibility of the college or department to report any gift-in-kind that may fall under the University's inventory policy to the appropriate University official. For gifts of equipment, it is the University's policy that approval be secured prior to accepting the gift.

KSU Foundation (REV 09/2016)

## KSUF-3 Benefits Received Form (quid pro quo) SAMPLE

KSUF-3 Benefits Received Form
(Quid pro quo)

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

The following PDF form should be attached to KSUF-1 Contributions Deposits when there are benefits received by the donor in exchange for the contribution.

This PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional.

If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form, and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Christy Scott via e-mail at christys@found.ksu.edu.

## KSUF-3 Benefits Received Form (quid pro quo) SAMPLE

KSUF-3 Benefits Received Form
(Quid pro quo)

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

Date

Fund #

Fund Name

INSTRUCTIONS:
1. KSUF-1 Contributions Form is required to be attached.
2. Attach this form (KSUF-3) when the donor has made a gift and also received some benefits.
3. If you have an EXCEL spreadsheet designed that provides similar information as this form, you may use it in lieu of KSUF-3.
4. If the donor's address is on their check, then you only need to complete the Donor name. Otherwise, please provide address.
5. Please attach a copy of any communication information that was provided to the donor (e.g. Invitation, brochure, copy of e-mail)

### Benefits Received

Complete this section with the total paid and the total benefits received. For example, the department sponsors a Fundraising Event where a participant has the choice of entering a golf tournament, attending different social activities and/or participating in a variety of sponsorship activities. Please provide a copy of the literature provided to participants.

Name of Event

| Donor Name/Address | Donor ID (if available) | Amount Paid | FMV of Benefits | Description of Benefits |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | Pg 2 subtotal | | | |
| | Grand total | | Total should agree with the amount on attached KSUF-1. It should also agree to the money/credit cards attached. | |

**PAGE 2 is available for overflow information**

FOR AUDIT PURPOSES
1). Please attach copies of all correspondence relative to the deposit.
2). Please review all checks to verify that the **dollar** amount and **written** amount are in agreement.
3). KSU Foundation cannot accept funds if they involve contract deliverables, fees-for-services, proprietary research, DCE or sales of State property.
4). All deposits and attachments will be imaged. Paper copies are retained for three months, then shredded.
5). Credit Card information will only be retained for the period necessary to ensure proper collection of funds.

CONTACT INFORMATION

Name: Dept: PH Number

Kansas State University Foundation (Rev. 04/2017)

## KSUF-4 Non Contribution Deposit Form SAMPLE

KSUF-4 Non Contribution Deposit Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

The following PDF form should be used for providing transmitting monies for deposit for which a contribution gift receipt will not be provided to a donor.

This PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional.

If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Christy Scott via e-mail at christys@found.ksu.edu.

FEATURES OF THE FORM:

1). Fill-in boxes will automatically change the 'font' size to fit the information that you type into the space available.
2). The form will only allow you to choose one (1) Account code description. Separate forms should be used for each type of account coding.
3). The form will only allow you to choose one (1) Credit Card type. Separate forms should be used for each type of credit card.

**KSUF-4 Non-Contribution Deposit Form SAMPLE. PLEASE NOTE: DSO MEMBERSHIP PAYMENTS NEED TO BE REMITTED TO CAMPUS.**

KSUF-4 Non Contribution Deposit Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3573
785-532-6266 • www.found.ksu.edu

Print Form

Date

Fund #

Fund Name

INSTRUCTIONS:
1. This Form should be attached to any transaction where there is NOT a gift component.
2. Please submit one (1) form for each type of deposit.
3. Please limit number of transactions per batch to approximately 35.
4. Cash, Checks and Credit Cards (by type) must be submitted in separate batches with a separate Form.
5. Please write the FUND # in the memo section of each check.
6. The IRS requires some break-downs of deposited revenues, thus it is required that you select an account description for each non-contribution deposit.
7. Contribution deposits should be remitted with the KSUF-1 Contribution Form.

Whenever possible, checks should be made payable to the Kansas State University Foundation. Checks made payable to Kansas State University or any University entity, such as a college, department or program which clearly represents gifts to the University, may be deposited in the appropriate Foundation fund.

| | Amount | Detail Description of deposit |
|---|---|---|
| **Acct # 3202-Cash Income**-(Non-fundraising dinner, banquet, rebates, services, commissions, entry fees, licensing fee, prize and awards, class reunions, insurance cash surrender values) ☐ | | |
| **Acct # 3206-Fundraising Events**--(such as dinners/dances, concerts, carnivals, sporting events, auctions, clinics, camps, etc) ☐ | | |
| **Acct # 3207-Club Membership/Dues**-(funds received for joining a club when benefits recvd are the same as value pd) ☐ | | |
| **Acct # 3208-Reimbursements**-(funds collected to reimburse for expenses incurred) ☐ | | |
| **Acct # 3209-Sales**-(sale of inventory items purchased with foundation funds for re-sale, i.e. t-shirt, calendars, etc.) Note any item purchased with or produced with STATE funds or facilities MUST be deposited into STATE accounts. ☐ | | |
| **Acct # 3210-Rental Income**-(funds received for rental of Non-State owned space, equipment, etc) ☐ | | |

Check one box

☐ Cash(Hand delivery recommended)

☐ Check (Limit of 35 checks per transmittal)

☐ Credit Card Check one: ☐MC/Visa ☐Discover ☐AmEx

FOR AUDIT PURPOSES
1). Please attach copies of all correspondence relative to the deposit.
2). Please review all checks to verify that Dollar amount and Written amount are in agreement.
3). KSU Foundation cannot accept funds if they involve contract deliverables, fees-for-services, proprietary research, DCE or sales of State property.
4). All deposits and attachments will be imaged. Paper copies are retained for three months, then shredded.
5). Credit Card information will only be retained for the period necessary to ensure proper collection of funds.

CONTACT INFORMATION

Name: Dept: PH Number

Kansas State University (REV 04/2017)

## KSUF-5 Disbursement Request Form SAMPLE

KSUF-5 Disbursement Request Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

The following PDF form should be used for requesting reimbursements for a Single Invoice to a Single Payee. This form is GENERALLY used for person's or companies who are non-KSU employees.

A separate form should be submitted for each payment request.

If your expenditures are for Travel/Entertainment or you have multiple invoices for same Payee, please use form KSUF-6 Travel/Entertainment and Other Expenses.

This PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional. If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form, and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Christy Scott via e-mail at christys@found.ksu.edu.

**FEATURES OF THE FORM:**

1). Fill-in boxes will automatically change the 'font' size to fit the information that you type into the space available.
2). The Total amount field is a calculated field.
3). The Acct # field is provided for use by some colleges that maintain additional accounting information. This field is NOT required by the Foundation and only needs to be completed if required by the College's Business Officer.
4). The College Approval section is provided for use by some colleges that require additional approvals. This section is NOT required by the Foundation and only needs to be completed if required by the College's Business Officer.

**INSTRUCTIONS:**

1). A separate form must be completed for each PAYEE.
2). If you have multiple invoices for a single PAYEE, please use form KSUF-6 Travel/Entertainment or Other Expenses.
3). If you have travel and entertainment expenses, please use form KSUF-6 Travel/Entertainment or Other Expenses.
4). Original and itemized receipts are required as documentation for all disbursement requests.
5). If payee is a new vendor, please provide address and FEIN or SSN number as well as a completed W-9. If you are paying a recurring vendor, you do not need to provide this information, just check the appropriate box.
6). Requests to pay non-KSU individuals for awards, honorariums or services rendered **must** include the individuals' full name, address and Social Security number. Use IRS Form W-9 to gather this information.
7). Please provide an Invoice number or a Customer number. This information will print on the check stub and aid the vendor in properly applying the payment to your account.

Kansas State University Foundation (REV 4/2017)

## KSUF-5 Disbursement Request Form SAMPLE

KSUF-5 Disbursement Request Form

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3573
785-532-6266 • www.found.ksu.edu

Print Form

DATE

| PAYEE Information | PURPOSE/JUSTIFICATION OF EXPENSE |
|---|---|
| WHO: | WHAT/WHERE: Describe purchase, i.e. office supplies,event, equipment, rental, catering, etc. |
| Payee Name | |
| Payee Address | |
| | WHEN: Provide Date purchase made or service to be rendered |
| FEIN# or SSN | |
| ☐ Vendor Info on File<br>☐ W-9 Attached | WHY: Explain why the expenditure benefits KSU. For hospitality events provide list of attendees and their title in the space below or on an ATTACHMENT. |
| Provide Invoice # or Cust # | |
| See Instructions for more Information | |

**ACCOUNT INFORMATION/ AMOUNT**

| Accounting code (optional) | Fund # (req'd) | Fund Name (required) | Amount |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
| | | This amount should agree to attached Invoice---------TOTAL AMOUNT | |

College Approval Section (to be used if College has additional approval procedures)--**NOT** required by the Foundation.

Requested by Name/Title _____ Signature _____

Approved by Name/Title _____ Signature _____

**PAYMENT APPROVAL**

I certify to Kansas State University Foundation that these expenses are valid, for the benefit of Kansas State University, and in accordance with donor instructions as documented in the FUND's MOU or appropriate correspondence. I also certify that reimbursement for these expenses is not being requested from another source.

Signature _____ Date _____

Name & Title _____

**CONTACT NAME**

☐ Call for Pickup ☐ Return Ck To:

| | |
|---|---|
| Name: | |
| Dept: | |
| PH Number | |
| Address | |

Kansas State University Foundation (REV 4/2017)

# KSUF-6 Travel/Entertainment or Other Expenses Form SAMPLE

KSUF-6 Travel/Entertainment or Other Expenses

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

The following PDF form should be used for requesting reimbursements for Travel and Entertainment Expenses or when a Payee has multiple invoices to be reimbursed for.

The PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional.
If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form, and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Christy Scott via e-mail at christys@found.ksu.edu.

FEATURES OF THE FORM:

1). Fill-in boxes will automatically change the 'font' size to fit the information that you type into the space available.
2). Drop down boxes provide choices for Travel Expenses and Other Expenses. If you don't see a description that fits your expenditure, you can type the description directly into the field.
3). The Total Amount field is a calculated field.
4). There is a second page available for additional invoices. The total of the invoices on Page 2 will automatically populate to page 1.
5). The Fund #, Fund name and Payee name will automatically FILL-IN on the second page of the document. If you only need one page for information, just print that page only. Adobe allows you to select the pages to be printed.
6). This form is viewed in Landscape format. However, when printing, it will "shrink" to Portrait. If you wish to print in Landscape format you will need to set this preference in your print properties.

# KSUF-6 Travel/Entertainment or Other Expenses Form SAMPLE

KSUF-6 Travel/Entertainment or Other Expenses

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

| Fund # | | Fund Name | |
|---|---|---|---|
| Payee Name | | | |

| Date | Expense paid to: | DESCRIPTION OF EXP & BUS PURPOSE Please state who, what, where, when, why to fully explain the nature of the expense. | Travel Expense Description (use drop down list or type your own) | Other Expense Description (use drop down list or type your own) | Fund # (if different from above) | Amount |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| Page 2 Total | |
|---|---|

Kansas State University Foundation (REV 12/2017)

**Fund Signature Authorization Change Request**

# Departmental Fund Signature Authorization Change Request

KANSAS STATE UNIVERSITY
FOUNDATION

***About this Form*** *- This form should be used by the Foundation account custodian to document which individuals can approve expenditures on accounts and to provide an example of their signatures.*

***Account Information*** *(all fields required)*

**Fund Name:** _____

**Fund Number:** _____ **Department/College:** _____

***Signature Authorization*** *(all fields required) - Type the individual's information and have him or her physically sign on the signature line. Use the plus or minus buttons to add or remove line entries.*

| + - | First Name | Last Name | Title | Signature |
|---|---|---|---|---|
| | | | | |

Print

Reset

***College Approvals*** *- When the Signature Authorization section is complete, obtain signatures from the appropriate college authorities.*

**Department Head:** _____

**Date**

**Dean / Designee:** _____

**Date**

***Foundation Approval*** *- When the College Approvals section is complete, the account custodian sends the form to the Foundation for final approval.*

**Foundation Agent:** _____

**Date**

**KSUF-8 Fund Transfer Request Form SAMPLE**

KSUF-8 Fund Transfer Request

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3573
785-532-6266 • www.found.ksu.edu

Print Form

| Date | |
|---|---|

# Fund Transfer Request

INSTRUCTIONS:
1. KSUF-8 should be used anytime you are requesting that monies be transferred from one fund to another fund.
2. Signature authority is required from the person authorized to expend monies from the fund being transferred FROM.
3. The "transfer from fund#" information will automatically fill-in the Signature Authority section.

## TRANSFER FROM FUND #

| Fund # (required) | Fund Name (required) | Transfer amount |
|---|---|---|
| | | |

REASON FOR TRANSFER

## TRANSFER TO FUND #(s)

| Fund # (required) | Fund Name (required) | Transfer amount |
|---|---|---|
| | | |
| | | |
| | | |

| NET must equal ZERO | $0.00 |
|---|---|

## SIGNATURE AUTHORITY

| | |
|---|---|
| | |

Name and Title for person with Signature Authority

SIGNATURE

CONTACT INFORMATION

| Name: | | Dept: | | PH Number | |
|---|---|---|---|---|---|

Kansas State University Foundation (Rev. 04/2017)

## KSUF-9 Sponsored Project Certification Form SAMPLE

KSUF-9-Sponsored Project Certification

KANSAS STATE UNIVERSITY
FOUNDATION
1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

The following PDF form should be used for establishing a Sponsored Project Account with funds transferred from the KSU Foundation. It can also be used for the actual transfer of the funds whether that is at the beginning of the project, or for transferring funds that are available as a result of earnings from an endowed fund.

Because the transfer of funds is not usually accompanied by detail invoices to support the expenditures, the Foundation is requesting that an annual report be provided that describes the actual expenditures. This report will be provided by the Division of Financial Services, Sponsored Programs department after the end of each fiscal year (June. 30). Information is provided on the form with the e-mail address and deadline for providing this report.

This PDF form is a FILL-IN form that can be used either with Adobe Reader or with Adobe Professional.
If you open the PDF form with Adobe Reader, you will be able to save the blank form for future use, fill-in requested data, print the form, and save the form with filled in data.

You can save the commonly used data (i.e. fund #, fund name, contact information) as a template in order to streamline the preparation of transmittal forms.

If you have access to Adobe Professional, you can customize the form for your college with a drop-down box listing the most used Fund numbers and Fund names. If you need help with this, please contact Christy Scott via e-mail at christys@found.ksu.edu.

**FEATURES OF THE FORM:**

1). Fill-in boxes will automatically change the 'font' size to fit the information that you type into the space available.
2). The Acct # field is provided for use by some colleges that maintain additional accounting information. This field is NOT required by the Foundation and only needs to be completed if required by the College's Business Officer.
3). The Foundation Fund # and Foundation Fund Name boxes in the Check Request section will fill-in automatically from the information entered in the middle section of the form.

**INSTRUCTIONS:**

1). Please provide the Sponsored Project Account # and Name (unless this is the initial application).
2). You must attach a copy of the Memorandum of Understanding for the Foundation fund which received the donation. If you need a copy of the MOU, please contact KSU Foundation, Donor Relations department.
3). If you are requesting a transfer of funds, you must provide a detail description of how the funds will be utilized by the project.
4). The signed copy of the KSUF-9 form a check (made payable to Kansas State University) will be forwarded to the office of Sponsored Projects.

KSUF-9-Sponsored Project Certification

KANSAS STATE UNIVERSITY
**FOUNDATION**

1800 Kimball Avenue, Suite 200
Manhattan, Kansas 66502-3373
785-532-6266 • www.found.ksu.edu

Print Form

**DATE**

The purpose of this form is to transfer KSU Foundation funds to a Sponsored Project Account. The form may be used to set up a new Sponsored Project Account, to request a specific transfer of funds and to certify that the Sponsored Project satisfies the donor restrictions placed on the Foundation monies.

| Sponsored Project Acct # (if NEW, so indicate) | Sponsored Project Title | Original Project Amount (If known) |
|---|---|---|
| | | |

**Provide Name and Department of Principal Investigator(s) or Project Director(s)**

| Name and Department | Name and Department | Name and Department |
|---|---|---|
| | | |

## DONOR PURPOSE AND RESTRICTIONS

| Foundation Fund # | Foundation Fund Name |
|---|---|
| | |

**A copy of the signed Memorandum of Understanding MUST be attached to this request. The MOU provides information regarding the donor's purpose and restrictions.**

**CHECK ALL THAT APPLY**

- ☐ No provisions are imposed concerning publications.
- ☐ Patents &/or Copyrights are not retained by the donor
- ☐ No specific time limit is designated
- ☐ Specific commitment of University resources is not required
- ☑ The KSU Foundation REQUIRES an annual expenditure report as of June 30. (E-mail report by Sept. 30 to foundation@found.ksu.edu)

## CHECK REQUEST/ AMOUNT

| Accounting code (optional) | Fund # | Fund Name | Amount |
|---|---|---|---|
| | | | |

**Provide detail description as to how funds requested will be used.**

By signing this form you are authorizing the project, the account request and certifying that to the best of your knowledge, this project is in compliance with the KSU Conflict of Interest Policy. An annual report of expenditures (as of June 30th) will be provided to the KSU Foundation each year that the project continues to be active.

Department Chair Name _____ Signature _____

Dean or Designee _____ Signature _____

By signing this form you are certifying that the funds were received as a gift and that all known conditions or restrictions associated with these funds have been listed.

_____ Signature _____ Date

_____ KSU Foundation/Name-Title

**CONTACT NAME**

☐ Call for Pickup ☒ Return Ck To:

| | |
|---|---|
| Name: | |
| Dept: | Office of Preaward Services |
| PH Number | 2-6804 |
| Address | 002 Fairchild Hall |

Kansas State University Foundation (REV 4/2017)

**Request to Modify a Fund**

KANSAS STATE UNIVERSITY
FOUNDATION

Print Form

# REQUEST TO MODIFY AN EXISTING EXPENDABLE FUND

**For Campus Funds Only**

Return completed form to
KSU Foundation - Donor Compliance (DonorCompliance@found.ksu.edu)

## Fund Information

**Fund #** _____ **Fund Name** _____

College _____ Department _____

Requestor's name _____ Phone _____ Email _____

## Changes Requested

Fund Name _____

60 Characters Allowed

Use of fund

Provide a detailed description for fund usage. This information will be provided in the on-line criteria section.

***A Memorandum of Understanding (MOU) is required to modify any fund which requires awarding criteria as well as any endowed fund. Please contact your Development Officer.***

## Signature Authority

Name of person authorized to approve expenditures | Title of authorized person | Signature of authorized person

Date _____

## Approval

Print Dean, Provost, Chief of Staff or VP name (as applicable) | Signature

Date _____

**This account will be administered in accordance with all Foundation & University policies and procedures.**

FOR KSU FOUNDATION USE ONLY

Fund # _____ Group _____ Type _____ Purpose _____

College _____ Department _____ Primary Goal _____ Secondary Goal _____

DO initial & date | Compliance initial & date | Acctg Setup initial & date

Updated-02/24/2017

**Request to Open a Fund**

KANSAS STATE UNIVERSITY
FOUNDATION

Print Form

# REQUEST TO OPEN AN EXPENDABLE FUND

**For Campus Funds Only**

Return completed form to
KSU Foundation - Donor Compliance (DonorCompliance@found.ksu.edu)

## Fund Information

College _____ Department _____

Requestor's name _____ Phone _____ Email _____

Fund Name _____
60 Characters Allowed

Use of fund _____
Provide a detailed description for fund usage. This information will be provided in the on-line criteria section.

Source of Funding ☐ Donations ☐ Other (explain) _____

***A Memorandum of Understanding (MOU) is required to establish any fund which requires awarding criteria as well as any endowed fund. Please contact your Development Officer.***

## Signature Authority

Name of person authorized to approve expenditures _____ Title of authorized person _____ Signature of authorized person _____

Name of person authorized to approve expenditures _____ Title of authorized person _____ Signature of authorized person _____

Date _____

## Approval

Print or type Department Head (if **not** already listed in Signature Authority) _____ Signature _____

Print or type Dean, Provost, Chief of Staff or VP name _____ Signature _____

Date _____

**This account will be administered in accordance with all Foundation & University policies and procedures.**

FOR KSU FOUNDATION USE ONLY

Fund # _____ Group _____ Type _____ Purpose _____

College _____ Department _____ Primary Goal _____ Secondary Goal _____

DO initial & date _____ Donor Compliance initial & date _____ Acctg Setup initial & date _____

Updated-02/24/2017

# FIN and Ascend Access Registration Form

**Kansas State University Foundation/Alumni Association**
**Access Registration Form**

Please read the following and return completed form with approval signature and date to:

Jeanine Lake
Senior Director of Info Services
KSU Alumni Association
jlake@k-state.com

**** Office Use Only ****

**Username:**

☐ New FIN User
☐ Additional Access

---

I am aware that the KSU Foundation/Alumni Association reserves the right and will exercise the right to monitor all data distributed on the Foundation's Portal and the alumni database.

I understand that security dictates I do not allow any other person to know or use my password and that, should it become known and used without my knowledge, I will change my password. I understand should I allow another person to use my user ID and password, I will be discontinued as a registered user.

Further, I understand all information I access is confidential and is only intended to be used for University-sponsored development or alumni events and will not be disclosed to any other person(s). Failure to comply with this policy may result in denial of future access to donor and alumni information and other disciplinary action in accordance with the law.

I certify that I have read and that I understand the above acknowledgement:

| Print User's Full Name | College | Department | Office Phone |
|---|---|---|---|

| User's Signature | Job Title | E-Mail Address |
|---|---|---|

**FUND ACCOUNTING REPORTS:** (check only one level of access)
Monthly reports that contain financial information related to fund accounts. Information includes contributions, other deposits, expenditures and transfers. Reports include monthly project activity reports and special requests. Interim reports will be available weekly until each month is closed.

☐ Dean's Level Access
☐ Department Level Access (please list Department(s) below):
_____
☐ Fund Account(s) Level Access (please list Fund Account(s) below):
_____

**ONLINE DATABASE:**

☐ Database that contains biographical information on all graduates, friends and donors of the University.

**ACCOUNTING PORTAL:**

☐ Digital portal that contains the electronic disbursement and transfer request portals for payments and transfers from KSU Foundation accounts.

**DONOR INFORMATION:** (check only one)

☐ Gifts by College
☐ Gifts by Department
List Department here: _____

**PLEASE NOTE: College Dean must approve the level of security appropriate for the user listed above.**
(If not affiliated with a College, approval should come from an Associate VP, Assistant VP, VP or Department Head)

| Please Print Full Name of Approver | Approver's Signature | Date |
|---|---|---|

*Publish Date: October 2024*

# Section 9 Appendices

## IRS Links & Other Resources

IRS Publication 463-Travel, Entertainment, Gift and Car Expenses
http://www.irs.gov/pub/irs-pdf/p463.pdf

IRS Publication 521-Moving Expenses
http://www.irs.gov/pub/irs-pdf/p521.pdf

IRS Publication 526-Charitable Contributions
http://www.irs.gov/pub/irs-pdf/p526.pdf

IRS Publication 561-Determining the Value of Donated Property
http://www.irs.gov/pub/irs-pdf/p561.pdf

IRS Publication 1771-Charitable Contributions Substantiation and Disclosure Requirements
http://www.irs.gov/pub/irs-pdf/p1771.pdf

IRS Form-8283-Noncash Charitable Contributions
http://wwwirs.gov/pub/irs-pdf/f8283.pdf

IRS Form-8283-Instructions-Noncash Charitable Contributions
http://www.irs.gov/pub/irs-pdf/i8283.pdf

IRS Form-8282-Donee Information Return (Sale, Exchange, or Other Disposition of Donated Property and Instructions
http://www.irs.gov/pub/irs-pdf/f8282.pdf

IRS Form-W-9-Request for Taxpayer Identification and Certification
http://www.irs.gov/pub/irs-pdf/fw9.pdf

KSU Policy and Procedures Manual
http://www.k-state.edu/policies/ppm/1020.html

## Requirements for Transfers of GIK Property with value of more than $5,000

Gifts of tangible or intangible personal property will be considered for acceptance only if needed by the University to be used in a manner which is related to the University's mission. If such gifts are accepted, the needs of the University will determine whether the gift is held or sold, or ownership is transferred to the University. When property is transferred from the Foundation to the University, it is subject to all normal restrictions on University property.

To claim a gift of real or personal property (gift-in-kind or GIK) to the Foundation as a charitable tax deduction, the donor must have an acknowledgment of the gift from the Foundation. To have the information needed to provide this acknowledgment, the Gift-In-Kind Donation Form (KSUF-2) must be completed by the KSU College or Department to acknowledge acceptance by the University. The form should then be forwarded to the Foundation

It is the responsibility of the **donor** to determine the fair market value (FMV) of GIK property to report a tax-deductible contribution in their income tax return. In the case of a GIK property donation which has been valued at **more** than $5,000, the Internal Revenue Service (IRS) requires a qualified appraisal that has been prepared by a qualified appraiser. The Foundation requests a copy of the appraisal to recognize the donor at the appropriate giving level as well as for notifying the University of the Value of the gift received.

Per the IRS, a qualified appraisal document includes eleven very specific pieces of information about the property being donated, the appraiser, and the method of appraisal. Additional information is also required if the donation is of art objects. A donor should consult their tax professional and IRS Publication 561-"Value of Donated Property" to ensure that they have a qualified appraisal.

A qualified appraiser is an individual who meets all the following requirements:

- The individual has either
    - Earned an appraisal designation from a recognized professional appraiser organization
    - Met minimum education and experience requirements
        - For real property the appraiser must be licensed in the state of the property
        - For other property the appraiser must have completed college or professional-level coursework relevant to the property being valued and have 2 years' experience in buying, selling, or valuing the type of property being appraised.
    - Regularly prepares appraisals for which he or she is paid.
    - Demonstrates verifiable education and experience. The appraiser can make a signed declaration that because of his/her background, experience, education, he/she is qualified to make the appraisal.

The following persons cannot be a qualified appraiser with regards to the donated property:

- The donor of the property
- The donee of the property
- A party to the transaction in which the donor acquired the property (unless the property was acquired within 2 months of the donation)
- Any person employed by the above three
- Any person related to any of the first three above

**EXAMPLES:**

**Example 1**
Facts: A person has a horse valued at $15,000 when healthy, which is now sick and needs a $10,000 surgery. The owner donates it to Vet Med for practice surgery. Can they get a $15,000 tax receipt?
Answer: No, KSU policy does not provide tax receipts for acutely ill animals.

**Example 2**
Facts: Same as Example 1, but the horse's value is $4,999, with no appraisal needed for a tax deduction. Can they receive a $4,999 tax receipt?
Answer: No, KSU policy remains the same for critically ill animals.

**Example 3**
Facts: A donor wants to donate art appraised at $20,000. Can they receive a $20,000 tax receipt?
Answer: Yes, after completing KSUF-2 and providing a written appraisal, the Foundation will issue a tax receipt acknowledging the donation.

**Example 4**
Facts: A donor contributes a horse valued at $3,000. Can they get a $3,000 tax receipt?
Answer: Yes, after completing KSUF-2, no appraisal is needed as the value is under $5,000.

**Example 5**
Facts: A donor contributes a horse valued at $30,000. Can they get a $30,000 tax receipt?
Answer: Yes, with a qualified appraisal and completion of KSUF-2, the Foundation will issue a tax receipt acknowledging the donation.

## Requirements for Transfers of Real Property

When considering transferring real estate to the KSU Foundation, either via an outright gift or a life income arrangement, several factors are taken into consideration by the Foundation before such a gift is accepted. Those factors include:

| | | |
|---|---|---|
| Location | Market value | Use of the property |
| Marketability | Condition | Environmental factors |

If you have a donor contemplating a gift of real estate, please contact:

Ben Kearns, Director of Real Estate benk@ksufoundation.ort or at 785-775-2121

## Frequently Asked Questions

**There are four basic criteria that determine the legitimate use of Foundation funds.**

a. **The use must be reasonable and benefit KSU.**
b. **The use must fall within the donor's intent for the gift.**
c. **The use must not jeopardize the Foundation's tax-exempt status.**
d. **The use must comply with all applicable statutes and regulations.**

**Q1. When can a spouse/partner's expenses associated with attendance at a KSU-sponsored function or travel be reimbursed from Foundation funds?**

**A1.** With regards to travel expenses the IRS states that if a spouse/partner, dependent or other individual goes with you on a business trip or to a business convention, you generally cannot deduct his or her travel expenses. Exceptions to this are if the "other person" is your employee or has a bona fide business purpose for the travel. A bona fide business purpose exists if you can prove a real business purpose for the individual's presence. Incidental services, such as typing notes or assisting in entertaining customers are not enough to make the expenses deductible. With regards to entertainment expenses the IRS further states…"You generally cannot deduct the cost of entertainment for your spouse/partner or the spouse/partner of a customer. However, you can deduct these costs if you can show that you had a clear business purpose, rather than a personal or social purpose, for providing the entertainment." There is not a single definition that determines "clear business purpose." You have to look at the "facts and circumstances" of each situation and determine whether a reasonable person would agree that a clear business purpose exists.

We will use the following examples for explanatory purposes:

**Example 1:** A member of the faculty entertains, at a business dinner, a donor and spouse/partner for philanthropic purposes. The IRS in section 1.274-2(4) specifically provides that it is reasonable and appropriate for the faculty member's spouse/partner to join the event. (Note: it is not required that the faculty member's spouse/partner join the meeting, but it is allowable). The entertainment expenses for all parties will be reimbursable.

**Example 2:** A member of the faculty entertains a donor, but not their spouse/partner, for philanthropic purposes. If the faculty member includes his/her spouse/partner at the event, the spouse/partner's expenses are **not** reimbursable because there was generally no business purpose for including the spouse/partner.

**Example 3:** The Dean, his/her spouse/partner (who is accompanying for personal reasons), and the Development Officer are traveling out of town for purposes of meeting with donors. A donor and spouse/partner are invited to attend a business dinner with the Dean, the Dean's spouse/partner and the Development Officer. In this situation the expenses related solely to the dinner may be reimbursed for the Dean's spouse/partner, because the donor's spouse/partner is included. However, if the facts are changed and at the last minute the Donor and spouse/partner are unable to make the dinner or only the Donor attends the meeting, the expenses associated with the Dean's spouse/partner cannot be reimbursed by the Foundation and should be paid for by the Dean.

**Example 4:** A member of the faculty is attending a business conference in Florida and his/her spouse/partner travels with the faculty member. The conference does not have any meetings where other attendees' spouses/partners are included. No expenses for the spouse/partner are reimbursable. With regards to the hotel expenses, you will be reimbursed at the Hotel's SINGLE occupancy rate only. If the hotel does not have a SINGLE occupancy rate, you need to provide documentation to that effect from the hotel.

**Example 5:** A member of the faculty and an associate member of the faculty entertain a prospective employee and spouse/partner during the interview process. The entertainment expenses for all parties will be reimbursable.

**Example 6:** Whether or not a spouse/partner's expenses associated with attending a banquet are reimbursable depends upon the "facts and circumstances" surrounding the banquet and whether or not the spouse/partner's attendance provides a business purpose.

- The college is hosting a banquet to recognize their "honor scholars." The event is open to the general public including faculty members, students, parents, non-staff members, etc. In this circumstance, it is appropriate to include faculty spouse/partners and the Foundation would reimburse the cost of attendance.
- The college is hosting a banquet to recognize their "honor scholars." The event is open only to faculty members and students. In this circumstance, if a faculty member includes their spouse/partner it is **not** a reimbursable expense.
- The attendees to the banquet include visiting dignitaries and their spouses/partners or guests. The inclusion of faculty spouse/partner is an appropriate business expense and therefore would be reimbursable.
- The attendees to the banquet include visiting dignitaries but not their spouses/partners. The inclusion of faculty spouse/partner is **not** an appropriate business expense and therefore would **not** be reimbursable.

**Example 7:** Expenses associated with a departmental retreat should only include department faculty and staff. Spouse/partner expenses will not be reimbursed.

**Example 8:** Expenses associated with a departmental holiday party or departmental picnic including families will be reimbursed.

**Example 9:** With the exception of an event that includes all staff and family members, expenses associated for children to attend a business meal or entertainment are not reimbursable.

**Q2. Why do I have to include names and titles of all persons in attendance at an event?**

**A2.** The IRS requires the establishment of the business relationship of the persons for whom expenditures have been incurred. Their literature states that persons' occupations and other information such as names, titles or other designations must be provided to establish the business relationship to the organization; for example, donor, contractor, speaker, company representative, or VP for Human Resources for XYZ company. Additionally, due to the large number of people associated with KSU, we require the title information (i.e. Dean, Professor of XYZ College, student, graduate assistant, etc.) for KSU employees or students be provided for the documentation to be clear and complete.

- **EXCEPTIONS**
  - If the event is open to the public no list is required, however a brochure or flyer should be provided as documentation to that effect.
  - If the event has more than 20 people in attendance you should provide a general description of who is invited, (e.g. open to all students and faculty) as well as a description of the event. You don't need to provide a list of who attended.

**Q3. What is required to document the "business purpose" for expenditures?**

**A3.** Substantiation rules under IRS §274 require every disbursement request must provide documentation justifying the business purpose of the expense. In addition to the **original** receipt, all disbursement requests are required to contain the following information:

- Who - This is the name of the person or entity that is being reimbursed (i.e. who the check is made out to)
  - If a vendor, the vendor's name and address is required

- If the expenditure is for services, the vendor's Tax Identification Number is required so that an IRS form 1099 can be filed. The preparation of IRS Form W-9 is useful. This form can be found at http://www.irs.gov/pub/irs-pdf/fw9.pdf
- If a KSU employee, the employee's name and title is required

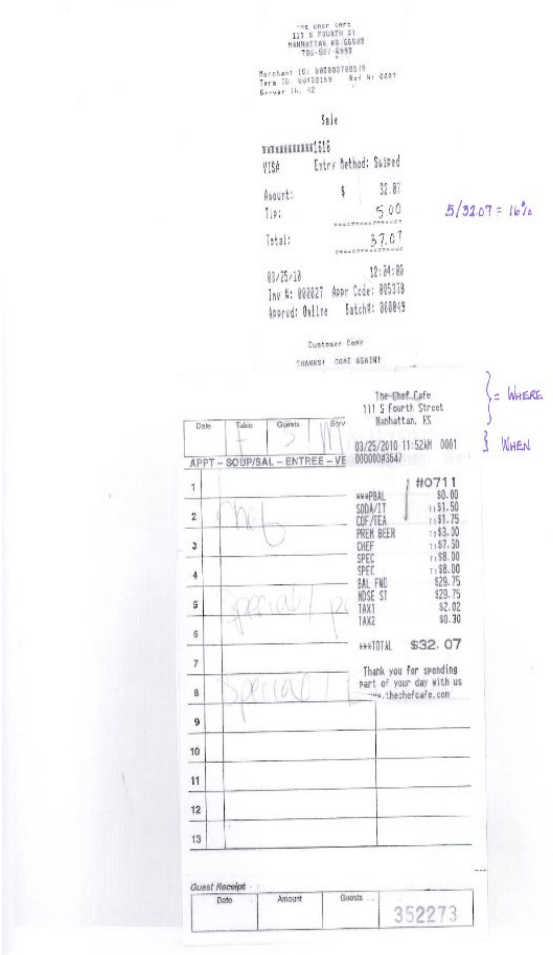
- What - Describe what was purchased (e.g. office supplies, equipment, business meal)
- Where - List the name of underlying service provider. (i.e. Applebee's, Manhattan, KS)
- When - Date of the expenditure
- Why - This is where you should explain how the expenditure benefits KSU.
  - Purchased a computer does not explain why you purchased the computer. This would be included in the "WHAT" part of the explanation. The WHY would go on to explain that the computer was purchased for use in the Student Computer Lab.
  - When the expenditure is for a business meal, the description should also include the type of business discussed, and list all the people in attendance at the meal plus their business title.

**Example 1: Dean** John Doe entertained two donors at a business luncheon. The following information should be provided in his request for reimbursement from the Dean's discretionary foundation fund.

Please reimburse $37.07 from Fund number A12345

Who: Please reimburse Dean John Doe, College of XYZ
What: Business Luncheon in the amount of $37.07
Where: The Chef Café, Manhattan, KS
When: 03/25/2010
Why: Meeting to finalize donation to College of XYZ
John Doe, Dean of College of XYZ
Mr. Smith, KSU alumnus
Mrs. Smith, KSU alumna

The attached invoice should also be provided. Note that for meal reimbursements, the DETAIL receipt showing a listing of the food and beverages purchased should be attached in addition to the credit card receipt.




**Total receipt is $37.07 ($32.07 + $5 tip)**

**Example 2:** Dean John Doe and Asst Dean Jane Smith from the College of XYZ meet for lunch at the Aggieville Café to discuss curriculum changes. Even though there is a business purpose for the luncheon meeting, it is the policy of KSU and the Foundation to **not** reimburse meals when the parties are from the same College.

> **EXCEPTION:** Expenses associated with the occasional and infrequent department wide staff meeting or retreat will be reimbursed. A listing of all attendees, their titles and an agenda for the meeting **must** be provided with the documentation

**Q4. What is the policy regarding reimbursement for tips?**

**A4.** The current policy provides for a tip of no more than 20% of the value of the meal or service being provided plus tax. If the tip exceeds 20%, the reimbursement request will be adjusted downward to reflect a 20% tip. It is however, allowable to round up to the next whole dollar.

**Example**: A business meal cost $50.32. The exact amount of a 20% tip would be $10.06 (for a total of $60.38). If you round up the payment to $61.00 this would be permissible.

**Q5. What are the rules regarding promotional items or gifts that are given to a donor as a thank-you or acknowledgement of their donation to the Foundation?**

**A5.** There are two instances where the IRS has said 501c(3) nonprofits do not have to report benefits received on a tax receipt when gifts are provided back to the donor for their donation.

a. **Token Gift –** For this exception the value of the gift can't exceed the maximum limit for insubstantial value determined by the IRS. This amount, indexed for inflation, is $13.20 for 2024. Examples include coffee mugs, t-shirts, etc. Typically, a token gift will include the organization's logo or other identifier that ties it to the donation. For this to apply the donation must be a minimum of $66.

b. **Low-Cost Gift –** Similar to the token gift, a low-cost gift is one whose fair market value does not exceed 2% of the donation, up to a limit of $132 (2024) whichever is less.

**2. EXAMPLES**

a. **Example 1: A** donor makes a $5,000 gift. You may provide a gift valued up to 2% of his donation **OR** $132.00 whichever is less, and his entire donation will be deductible. In this case the limit will be $100.00 ($5,000 x 2% = $100.00) because $100.00 is less than $132.00.

b. **Example 2:** A donor makes a $5,000 gift. You provided a gift valued at $110. The token exemption does not apply because the gift you give them is greater than $13.20, **and** the gift is more than 2% of the donation so the low-cost gift also does not apply. The Foundation would need to report on the tax receipt a donation of $5,000 with benefits received of $110, therefore a tax-deductible gift of $4,890.

c. **Example 3:** A donor makes a gift of $7,000. You provided a gift valued at $140. Even though the gift did not exceed 2% of the donation ($7,000*.02=$140.), it **does** exceed the maximum allowed of $132; therefore, the Foundation would need to report on the tax receipt a donation of $7,000 with benefits received of $140, thus a tax-deductible gift of $6,860.

d. **Example 5:** A donor makes a $30.00 gift. You may provide a token gift of only .60 cents ($30 x 2%). The token exemption **does not** apply because the donation payment was less than $66.00.

**Q6. What are the rules regarding gifts that are given to a donor that are not related to a contribution received from the donor?**

**A6.** The IRS allows for the deduction of expenses for "business gifts" that do not exceed $25.00 in a calendar year. This would be a gift that was not associated with a donation received from a donor. This type of gift would have no impact on the recipient.

**Q7. What are the rules regarding gifts to students, employees or co-workers?**

**A7.** There are several different IRS rules that apply to gifts depending on the "facts and circumstances" surrounding the gift.

1. The IRS allows for the deduction of expenses for "business gifts" that do not exceed $25.00 in a calendar year. If the recipient is **not** an employee the type of the gift can be tangible property, cash or gift card. In this situation it will not be necessary for the Foundation to collect the name of the recipient and their tax identification number.
2. Gifts to Unclassified or student employees have some additional rules that must be followed:
   a. Cumulative annual gifts of tangible property valued at $25 or less may be given without any additional reporting requirements.

**b.** A gift of cash, gift card or gift certificate of **ANY** amount requires that the recipient's name and tax identification number be provided to the Foundation by submitting a W-9 form. The Foundation is then required to provide the information to the Human Resources department for inclusion in the recipients' taxable income.

3. Gifts **MAY NOT** be given to Classified employees. Any additional compensation to a classified employee is governed by State compensation rules. The Foundation cannot reimburse for a gift made to a classified employee. Any reimbursement requests must be denied.
4. Retirement, length of service and honoraria gifts can qualify for non-taxable treatment if certain guidelines are met. Please refer to the sections in the Foundation Accounting Manual and the KSU Policy and Procedures Manual (PPM) for a complete discussion of the rules. See the following document; http://www.kstate.edu/policies/ppm/4812.html
5. In addition to IRS rules regarding gifts, employees of the State of Kansas must also be mindful of the requirements set out by the Kansas Ethics Commission. These rules are available at http://www.kansas.gov/ethics/

**Q8. What steps are needed when prizes are given at a fundraising event?**

**A8.** There are different IRS rules that govern prizes. It is common practice to provide various cash or non-cash prizes at auctions and golf tournaments that are held as fundraising events. Prizes are reportable as taxable income by the recipient. The income is reportable regardless of whether the prize is given in the form of cash, gift card (which is the same as cash), or merchandise. The Foundation is required to report these types of income to the recipient at the end of the year on IRS Form 1099 if the **accumulated** amount of income during the calendar year is $600 or more.

- **Example:** Your college hosts an annual golf tournament. One of the events in the tournament is a "Closest to the Hole" contest. The winner will receive a golf bag valued at $100, or cash prize of $100, or a gift card for $100. You should provide the winner's name, address and tax payer identification number to the Foundation accounting department. The use of IRS Form W-9 is helpful in collecting this information http://www.irs.gov/pub/irs-pdf/fw9.pdf. This information must be collected even though the winning amount is less than $600. This same person could go on to win a $500 prize in another KSU fundraising event during the same year. If that occurs the Foundation would be **required by law** to provide Form 1099 to the individual. The income is reportable regardless of whether the prize is given in the form of cash, gift card (which is the same as cash), or merchandise.
- **NOTE:** If an employee of KSU wins a prize at a fundraising event, the value of that prize (whether cash or merchandise) must be reported on the employee's W-2 regardless of the amount of the prize.

**Q9. What are the rules that apply when a donor makes a payment that is partly contribution and partly for quid pro quo, goods and services (hereinafter "*benefits received*")?**

**A9.** The Foundation must furnish a written disclosure statement if a donor makes a payment that is more than $75 and is partly a contribution and partly *benefits received*. The statement must tell the donor that he/she can deduct only the amount of the payment that is more than the value of the goods or services received. The Foundation must also give the donor a good faith estimates of the value of the goods or services.

A penalty is imposed on charities that do not meet the written disclosure requirement. The penalty is $10 per contribution, not to exceed $5,000 per fundraising event or mailing. An organization may avoid the penalty if it can show that failure to meet the requirements was due to reasonable cause.

**Example 1:**
Your College hosts an annual gala dinner and auction. The admission to the event is $100 per person. The brochure advertising the event informs the potential attendees that the value of the dinner is $40, and $60 is tax deductible. This notification meets the rule for the written statement.

**Example 2:**
Your College hosts an annual gala dinner and auction. A catalog of the items to be auctioned provides the fair market value of each item to be auctioned. This catalog is available to attendees prior to the event. A donor subsequently purchases an item at the auction for $500 that had a fair market value of $200. The donor may report a $300 charitable contribution in his income tax return. The Foundation is required to provide the donor with a written statement that shows the payment received and the value of the *benefits received* that the donor received.

**Example 3:**
Your College hosts an annual gala dinner and auction. A catalog of the items to be auctioned is provided, but **no** fair market value is provided or all items were listed as "**PRICELESS.**" A donor subsequently purchases an item at the auction for $500. The donor may **NOT** report the item as a contribution and the Foundation cannot provide a Tax Receipt.

**Q10. When the Dean hosts an event at his or her home, which meets the 'business purpose' test what expenses are reimbursable?**

**A10.** The following expenses are reimbursable

- Catering charges
- Food purchases (for the event)
- Beverages (for the event)
- Clean-up after the event (only rooms used for the event)
- Flowers, table decorations (for the event)
- Paper goods

The following expenses are not reimbursable

- Pre-event cleaning
- Decorative items that would be retained by the host (i.e. cloth tablecloth)
- Babysitting services for the host

**Q11. When will the Foundation reimburse meals provided for KSU employees?**

**A11.** Please refer to the Campus Accounting Manual - Reimbursement of Meals for an in-depth discussion of the IRS rules regarding meal reimbursement. In the normal course of a business day, employees are responsible for their own meals. For a meal that includes only KSU employees to qualify for reimbursement, you must show that there is substantial business discussion or meet the de minimis rules or provide the meal on your business premises.

We will use the following examples for explanatory purposes:

**Example 1**
Event: Meal with the Dean of the College of Arts and Sciences and Department Heads from Biology, Mathematics, and Art.
Purpose: Discussing an upcoming collaboration.

Details: The meal was scheduled weeks in advance and held in a conference room on campus. The Foundation will reimburse this expenditure because employees are from different departments, it was planned, and documentation regarding the business purpose was provided.

**Example 2**
Event: Celebration lunch hosted by the Department Head of Chemistry.
Purpose: Celebrating the award of a multi-million-dollar research grant.
Details: The invitation was open to all persons involved in the project. The Foundation will reimburse this expenditure because it is occasional and involves all integral contributors.

**Example 3**
Event: Dinner with Art Department employees and a prospective employee.
Purpose: Recruiting a new employee.
Details: The meal cost exceeds $2,000 at a five-star restaurant. The Foundation will ask for additional approvals before reimbursement due to the extravagant amount. Documentation must show why the expenditure is "ordinary and necessary."

**Example 4**
Event: Annual holiday party hosted by the College of Veterinary Medicine.
Purpose: Employee and guest celebration.
Details: The Foundation will reimburse this expenditure because it is occasional and meets the IRS's de minimis rules.

**Example 5**
Event: Pizza celebration hosted by Professor Mike for his graduate students.
Purpose: Celebrating a first place win at the regional Architecture competition.
Details: The Foundation will reimburse this expenditure as it supports the University's mission of mentoring students and celebrating their accomplishments.

**Example 6**
Event: Informal lunch with Professors George, Jim, and Jane from the Department of Civil Engineering.
Purpose: Discussing plans to bring notable speakers to campus.
Details: The Foundation will not reimburse this expenditure. There was no pre-planning, no agenda provided, and no clear indication that the primary purpose of the meal was business-related. This discussion could have taken place in one of the professors' offices.