Gift Accounts

ADMINISTRATION

Many University colleges and departments administer gift accounts for collection and expenditure of cash gifts and gift-related revenues.

Activities

Gift accounts may be established to support a variety of University activities. The following activities are frequently supported by gift accounts:

- Scholarships, fellowships, and student loans
- Research
- Lectureships
- Capital improvements
- Distinguished professorships and chairs

Revenues

Revenues to gift accounts may include the following:

- Gifts to the University. See BPPM 30.70 for a definition.
- Revenue from the sale of donated properties.
- Revenue from the rental of donated properties.

Revenues to gift accounts may not include the following:

- Money from the sale of University-owned supplies, services, or equipment.
- Revenue from the sale or rent of any property originally purchased with state of Washington or federal funds.
- Revenue from University self-sustaining operations and service centers.
- Recoveries of expenditures (unless the original expenditure was from a gift account or the recovery is specifically permitted by University policy, e.g., third-party travel reimbursements).
Gift Accounts

Revenues (cont.) • Monies from grant or contract sponsors. See BPPM 40.04 to establish a sponsored account.

Types of Accounts A gift account may be one of three types: expendable, endowment, or quasi-endowment.

Endowment, Quasi-Endowment Endowment and quasi-endowment accounts rely upon income derived from invested principal to support University functions. Contact the Finance division of the WSU Foundation for more information regarding these accounts.

Expendable Accounts Expendable accounts may be restrictive or discretionary.

Restrictive The donor defines allowable uses of a restrictive account, e.g., scholarships for specified groups, research for stated purposes.

Discretionary Discretionary accounts may be used for a broad range of purposes. Allowable uses of discretionary accounts are explained in BPPM 70.33.

WSU Foundation The Washington State University Foundation promotes, accepts, and manages private gifts to the University.

The WSU Foundation Finance unit establishes gift accounts and the Gift Accounting unit processes and provides written acknowledgement of receipt of gifts.

ESTABLISHING A GIFT ACCOUNT With information provided by college development officers, WSU Foundation Finance generates new gift IDs. Gift Accounting sets up the gifts in their system and sends the gifts by INT175 to the Controller's Office to approve. (INT175 is the integration between the Foundation’s system and Workday.)

Account Thresholds Thresholds to create various types of gift accounts are:

- Expendable: A new expendable gift account must have a minimum balance of at least $5,000 and evidence of continued funding.
Gift Accounts

Account Thresholds (cont.)

- Endowment: Refer to the link on the following WSU Foundation website for the minimum gift amount to establish various endowment accounts:
  foundation.wsu.edu/endowment-naming-opportunities/

- Quasi-endowment: See BPPM 30.78 for details.

Gift Use Agreement

The Gift Use Agreement defines the types of expenditures which are allowable from the account.

To establish a gift account, the college development officer creates a Gift Use Agreement (GUA) by using GUA App online and entering the following information:

- Type of fund, e.g., endowment fund, expendable funds.
- Name of department or college
- Proposed name of the fund or account, e.g., Harry Fletcher Scholarship Fund
- Affiliation
- Uses and purposes of the fund as defined by the donor(s).
- Name of the administrator of the fund. Usually this is a vice president, college dean, or a department chair. Additional departmental personnel may be delegated expenditure authority for the fund (see BPPM 70.02).

Gift Use Agreements are reviewed and signed online by the WSU Foundation Chief Executive Officer (CEO) and the unit fund administrator (e.g. dean, vice president, director), and then donor signature(s) are obtained.

Form Distribution

The WSU Foundation Stewardship unit retains the original and distributes copies to the Controller's Office and the administrating college/unit.
Gift Accounts

<table>
<thead>
<tr>
<th>Establishment of Fund</th>
<th>An Establishment of Fund (EOF) document may be used by colleges/units to request an account for WSU internal purposes. Contact the WSU Foundation Stewardship unit to obtain an EOF document. The form is processed digitally through DocuSign.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIFT TRANSMITTAL</td>
<td>See BPPM 30.70 to report or transmit a gift to Gift Accounting.</td>
</tr>
<tr>
<td>Gift Report</td>
<td>A college development office may obtain a Gift Report from the WSU Foundation alumni database. The report summarizes gifts to units and colleges processed by Gift Accounting for the specified date range. Questions regarding this report should be directed to Gift Accounting.</td>
</tr>
<tr>
<td>PURCHASING</td>
<td>See BPPM 70.33 to make purchases supported by discretionary accounts.</td>
</tr>
</tbody>
</table>