



Cash Disbursements Policy and Procedure

General Policy Regarding Expenditure of Foundation Funds

Check Processing Procedure

Capital Improvement Projects

Travel

Entertainment

General Policy Regarding Expenditure of Foundation Funds

The Rhode Island College Foundation ("Foundation") exists in order to support Rhode Island College ("College") in its academic, research and service missions. Increasingly, private philanthropic dollars are necessary to enhance the College's work due to limited resources.

Private philanthropic support depends, in part, upon the confidence donors have in the Foundation's leadership and commitment to sound fiduciary management of funds, including expenses.

Accordingly, the following general principles apply in judging the appropriateness of expense reimbursements:

1. All expenses must be both reasonable in amount and necessary to support the mission of the Foundation and College.
2. Those requesting reimbursement from the Foundation should consider that reimbursement funds will come from the donor-provided dollars and that all expense requests are subject to public scrutiny and audit. Expense requests that are not properly documented may subject the Foundation to undue harm if there is an appearance that expenses are excessive or not reasonably related to college business. Documentation must make it clear that the expense is reasonable and related to Rhode Island College or Rhode Island College Foundation business.
3. Requests for reimbursements must be approved by all appropriate parties senior to the person making the request. For example, capital improvements to physical structures and space on the College campus must have written approval by the Division of Administration and Finance.

Check Processing Procedure

To comply with the Internal Revenue Code and its Articles of Incorporation, the Foundation and any individual funds therein must be organized and operated exclusively for the benefit of the college with no part of its net earnings benefiting any private individual.

Each fund designee, director, dean or assigned party is responsible for insuring that the expenditures adhere to the purpose of the fund. It is extremely important that the fund purpose is followed in compliance with the donors' intent, the provisions of the Internal Revenue Code, and the Foundation's Articles of Incorporation.

The Foundation's accounting staff is responsible for ensuring that all required supporting documents have been presented, that the appropriate funds are available for such payments, and that the obligations are paid on a timely basis.

Updated October 2, 2019

Cash disbursements are generally made for:

1. Payments to vendors for goods and services
2. Fundraising expenses
3. Cultivation and stewardship
4. Scholarships, Cap & Gown Awards and Travel Abroad
5. Memberships and subscriptions
6. Meeting expenses
7. Volunteer or project food and refreshments
8. Employee reimbursements
9. Grant-funded expenses
10. Expenses associated with grant funded activities

Checks are processed weekly. Invoices submitted to the Financial Coordinator by Tuesday will be processed and paid by Friday of the same week. Check requests over \$5,000 require two signatures and may take up to 10 days to process. The Foundation may consider expediting requests due to extraordinary circumstances. Checks will be mailed or sent through interoffice mail to the payee. If a check must be picked up at the Foundation's office, a mutually agreeable specific date and time must be determined. A picture ID is required to release checks.

Requests for cash disbursements are submitted to the Foundation's accounting office in three ways:

1. Original invoice
2. Purchase request (submitted on approved form)
3. Employee expense report or reimbursement request

All invoices and reimbursement requests must be submitted with the approved form. Receipts and receiving reports must be promptly submitted as supporting documentation with a check request form payable to the appropriate vendor/individual. Photocopies and carbon copies of invoices, receipts, and other supporting documentation increase the risk of duplicate payments. Receipts for reimbursement expenses less than \$10 are preferred but not required. Payments are to be made promptly to take advantage of discount terms when applicable. In rare cases when an original receipt is lost, a signed statement stating the nature and description of the expenditure can be accepted. Loose receipts shall be taped to a full 8.5 X 11" paper. Requestors should limit each check request to eleven line items due to check printing limitations.

All scholarships held at the Foundation should be credited to the student's accounts. Endorsing a check to a student should be a rare occurrence and needs prior approval by the Executive Director of the Foundation.

College, Foundation or Alumni issued credit card payments will be made directly to the credit card company. The Foundation will not reimburse personal credit card charges unless given prior authorization of charges by the Executive Director of the Foundation.

The Foundation does require an IRS W-9 form for all vendors and individuals who are non-RIC employees when payment is requested. This is to comply with federal reporting guidelines. Check requests should be payable directly to the vendor or employee requesting payment or reimbursement.

Interest, late charges and/or finance charges on payments to vendors due to delinquent submission of check requests cannot be paid with Foundation funds. It is the responsibility of each unit/department to ensure requests are forwarded to the Foundation in time to allow for processing without incurring such charges.

Updated October 2, 2019

Each check request must be signed by the requestor and the Director, Dean or designated department individual. If they are the same person, the request must be forwarded to the Assistant Director Administration and Finance of the Foundation for approval regardless of who has signature delegation authority.

Capital Improvement Projects

Before requesting disbursements for Capital Improvement projects, a fully authorized detailed description and justification that ties to the College's Strategic Plan and priorities with written approval by the Vice President of Administration and Finance and/or his or her designee must be submitted to the Foundation.

Travel

The Foundation reimburses for reasonable and necessary expenses incurred while performing approved official travel. Each individual must request his or her own reimbursement. The Director, Dean or designated department individual is responsible for ensuring that travel reimbursement requests are for reasonable and necessary amounts. It is the Director, Dean or designated department individual's responsibility to insure adequate funding is available to pay for the travel expenditure at the time the reimbursement is submitted for payment.

The travel reimbursement request should include all expenditures (including airfare), even if reimbursement for the total amount is not being requested.

Entertainment

Foundation funds may be used for payment to vendors or reimbursement to individuals for expenses related to entertainment incurred while conducting official business. All such expenditures paid from the Foundation must be in accordance with the governing fund agreement for that fund from which the costs are to be paid. The following information must be documented on the Foundation check request or other supporting documentation in some manner:

- What Foundation account is to be used?
- Where did the entertainment occur?
- When did the entertainment occur?
- What was the specific reason for the entertainment expense?
- Who attended the event?

The following are instances where entertainment expenses can be paid:

1. Meals involving individuals external to the College are authorized for the purpose of conducting business related to College matters, entertaining and cultivating donors, and entertaining significant relationships for the benefit of the College.
2. Meals for personnel (i.e., not involving individuals external to the College) that are scheduled for the purpose of conducting business related to College matters or as an official function of the College.
3. Entertainment (whether for personnel only or involving individuals external to the College), while necessary and useful for conducting business should be reasonable and appropriate, and attendees should be limited to those necessary to achieve the business purpose. Expenses that are excessive in frequency, number of participants, and/or cost, may not be approved by the Foundation at the discretion of the Executive Director.
4. Foundation funds may not be used to purchase tickets to athletic/other events for personal use. Reimbursement may be made for those tickets purchased for business

uses and for which an accounting of use is submitted with the request for reimbursement.

5. Expenses for meals and entertainment for an employee's spouse may be paid if the spouses of guests are also present or invited and if it can be shown that the spouse had a clear business purpose, rather than a personal or social purpose.