

COMPTROLLER POLICY MANUAL

	POLICY: CMP 303
	Section: 300 Deposits of University Funds
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	Responsible office: Comptroller
	Origination date: 01/01/2000
Subject: Gift Deposits	Effective date: 01/01/2000
	Revision date: 01/29/2016

PURPOSE

To deposit gift receipts properly

SOURCE

University policy. Faculty Handbook Section 5.7 - Charitable Gift Reporting Procedures

CMP 303: Gift Deposits

Cash Gifts

Cash gifts and any documentation should be forwarded to the University Advancement Office as soon as possible after receipt of a gift. Information should include donor name, address, city, state, zip code, gift amount and donor's intention for use of the gift.

University personnel have an ethical obligation to use charitable gifts in the manner intended by the donor, if the gift has been accepted with an intended use stated by the donor. All cash gifts are deposited within the [NAU Foundation](#), therefore donors should make checks payable to the NAU Foundation. Gifts of stocks, bonds, and securities are not to be accepted without prior approval from the Senior Vice President of University Advancement or his/her designee.

Contact the NAU Foundation to ensure proper transfer of securities.

Upon acceptance of a gift or receipt of information regarding acceptance of a gift by university personnel, the Advancement Office will take certain actions, dependent upon the type of gift.

1. Cash and checks will be forwarded to the NAU Foundation for deposit.
2. Securities, stocks and bonds will be placed in the name of and forwarded to the NAU Foundation for retention or liquidation.
3. An official letter of appreciation, which also serves as a receipt for the donor's tax purposes, shall be prepared.
4. Information shall be entered into the university's charitable gift database.
5. University personnel authorized to expend charitable funds will be notified.

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6. University personnel should make arrangements for appropriate publicity, public relations, or acceptance ceremonies in coordination with the Advancement Office and the Office of Public Affairs and Marketing.

The NAU Foundation will maintain an accounting of designated gifts as well as those given without restrictions. The Foundation will maintain records on earnings from endowed accounts and upon request will notify appropriate personnel regarding the amount available for expenditure. The designated area may contact the Foundation for the use of available funds, within the limits of the donors' wishes, when needed and will provide documentation regarding expenditures. The expenditures must be made in compliance with Foundation policies and procedures. The Foundation will advise each area within the university as to the status of its specific accounts upon request.

Non-Cash Gifts

Non-cash gifts must be approved by the Senior Vice President for University Advancement or his/her designee prior to acceptance. Upon acceptance of the gift, the campus recipient must complete a Gift-In-Kind form (available in the Advancement Office) and will forward the form to the Advancement Office. University personnel are not authorized to provide appraisals of non-cash gifts for donor tax purposes. Estimated values of non-cash gifts as entered on the Gift-In-Kind Form are for Advancement Office use only and are not to be provided to the donor or used in publicity about the gift or other donor recognition. University personnel are not to obligate the university regarding the retention and/or placement of non-cash gifts, the expenditure of university funds in providing an independent appraisal of the item, or other conditions related to the acceptance of the gift, without prior approval of the Senior Vice President for University Advancement or his/her designee.

Upon receipt of the Gift-In-Kind form, the Advancement Office will distribute the form as follows:

1. Original - University Advancement Office
2. Copy - Comptroller
3. Copy - Unit or area designated as the recipient of the gift
4. Copy - Property Control

The Property Control Office will tag and record the item, thereby making it a permanent part of the university's inventory records. The Comptroller's Office shall initiate a journal entry to formally enter the

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gift item in the general accounting records. Non-cash gifts to the NAU Foundation will not be entered into the university's accounting or inventory records unless such gift is transferred to the university.

Non-cash gifts of an intangible nature, such as donations of services or gifts that are not intended to remain in the university's possession, such as gift certificates, are to be reported to the Advancement Office in the same manner as cash gifts.

The NAU Foundation (NAUF)

The NAU Foundation is a separate, non-profit (tax-exempt) corporation that exists solely for the benefit of Northern Arizona University. The NAUF is charged with the receipt, investment, management, and disbursement of charitable contributions, with the exception of some non-cash gifts, according to the wishes stipulated by the donors. The Foundation is managed by a 24-member Board of Directors and is represented on campus by the Executive Director of the Foundation, appointed by the Board of Directors.

Endowed accounts, those from which only the earnings are available for expenditure, must maintain principle. Earnings for each endowed fund are based upon the Foundation's total investment earnings for a given year. Endowed accounts are managed, and the earnings are disbursed according to the stipulations of the Letter of Understanding among the donor or donor's representative, the Executive Director of the NAU Foundation, and the university President. The process of establishing an endowed account is initiated by contacting the Advancement Office.

NAU Foundation Reimbursements

Reimbursements to NAU accounts from the NAU Foundation are to be made in accordance with the Foundation's "[Guidelines on Disbursements of Foundation Funds](#)". In general, Foundation funds represent private gifts, and reimbursements to NAU accounts should be deposited accordingly. In most all cases, reimbursements from the Foundation Funds must be recorded to revenue source 533910.