Banner Forum
Foundation Processes

November 10, 2006
Purpose

- The Foundation's primary purpose is to solicit gifts for the benefit of the University of Central Missouri.

- These gifts are utilized to provide scholarships to students and financial support to the various University programs in order to continue to offer a quality higher education to the students of the University.
Gifts

- The initial contact for Foundation related issues and concerns is Mary Schreimann, Smiser Alumni Center. (Phone extension 8000).

- All gifts received by campus areas and departments should be delivered directly to the Smiser Alumni Center for deposit.

- Gifts **must** be processed by the Banner Advancement Module and fed to the Banner Finance Module.

- The Foundation will only accept gifts and other revenues relating to pre-approved fund-raising activities (with a gift intent).
Banner-General

- Chart F (Foundation) vs. Chart C (University)

- Gifts and other Foundation related revenues are recorded in Chart F.

- Normal departmental expenses including scholarships should be charged to Chart C Foundation funds. Certain expenses that are prohibited by State or University policy (i.e. flowers) should be charged to Chart F Foundation funds.
Foundation Fund Types

- Below is a list of commonly used Chart C - Foundation fund types and descriptions:
  - 251XXX  Quasi endowed scholarships (expendable)
  - 261XXX  True endowed scholarships (expendable)
  - 271XXX  Quasi endowed other (expendable)
  - 281XXX  True endowed other (expendable)
  - 291XXX  Other restricted (expendable)
  - 551XXX  Quasi endowed scholarships (non-expendable)
  - 571XXX  Quasi endowed other (non-expendable)
  - 661XXX  True endowed scholarships (non-expendable)
  - 681XXX  True endowed other (non-expendable)
# Expendable vs. Endowment Funds

- For example, the relationship between the expendable fund and quasi/true endowment fund is as follows:

<table>
<thead>
<tr>
<th>Expendable Fund</th>
<th>Endowment Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>251001</td>
<td>551001</td>
</tr>
<tr>
<td>261001</td>
<td>661001</td>
</tr>
</tbody>
</table>

- Expendable funds – Can be spent in accordance with donor restrictions.
- True Endowment funds – Are restricted by the donor requiring the principal to be invested in perpetuity.
Budgeting Process

- Prior to the beginning of the fiscal year, budgets will be established for the Foundation funds on Chart C. The initial budget will include any carry-forward balance and the expected endowment payout (if applicable).

- Throughout the year (on a monthly basis) the budget for an individual fund will be increased by any new expendable gifts received during the preceding month. Any special considerations will need to be approved by Dr. Paul Page.

- The Foundation is using the same ‘pooled budget’ methodology as that being used by the University.
Creating a New Fund

- New funds may be requested through Mary Schreimann.

- The minimum to establish a named expendable fund is $500, and a named endowment $10,000 (see below).
Endowments

- The minimum amount to establish an endowment is $10,000.

- At the discretion of the Foundation Executive Director, a series of gifts over a defined period of time will be allowed to reach the $10,000 minimum.
Gift Reports

- Gift reports are prepared weekly and sent electronically via e-mail to primary and secondary fund managers by the Office of Development.

- Any questions relating to these reports should be directed to Mary Schreimann (extension 8000).
Scholarship Authorization Forms

- These forms are to be sent to the Scholarships and Awards Office as they have been in the past.

- All scholarships are to be awarded via the scholarships authorization form and entered in the Banner student module.

- Scholarships will not be processed on a payment request.

- Questions regarding scholarship recipients should be directed to the Office of Student Financial Assistance.
IDT’s vs. Payment Requests

- Completed payment requests and IDT’s that are approved by the fund manager(s) must be forwarded to Mary Schreimann for final approval and review.

- Payment requests are to be used to pay outside vendors and must comply with University procurement policies.

- IDT’s may be used to make internal transfers and/or internal purchases from various departments using the chargeback account codes. Certain transfers between Foundation and University funds may require a payment request rather than an IDT. Please contact Mary Schreimann with questions.
Banner Finance Help

- Additional help with Banner related issues can be found on the University’s web site under Administration and Finance/Banner Finance Help. http://www.cmsu.edu/x91813.xml

- The information includes a list of expense accounts, commonly used Banner finance forms and frequently asked questions.
Base Budget Calculation

- Example of a fiscal year 2007 base budget calculation for a “Foundation funded” expendable fund:
The $2,043.64 base budget consists of the $1,445.64 carry-forward fund balance and the $598.00 investment payout budget.
The remaining balance at June 30, 2006 was $1,445.64.