



CalPolyPomona

Philanthropic
Foundation

POLICIES AND PROCEDURES

**Subject: Discretionary Accounts & Campus
Program Accounts**

**Policy No. 506
Date: 07/2019**

PURPOSE

To provide policy guidance on the solicitation, source and accumulation of funds held by the Foundation for university purposes; to assure that expenditures are used for purposes supportive of the University's educational mission; and to establish a procedural framework for controlling such funds.

BACKGROUND

The Foundation holds certain funds, restricted or designated for University purposes.

California Code of Regulations Sections 42403 and 42502(1) prescribe the development and implementation of policy and procedures over the Foundation acquiring and using such funds. See Section 9.2 and Section 16.2 of the CSU Document "Manual of Policies and Procedures for Auxiliary Organizations."

This policy statement extends to funds donated to the Foundation restricted for University purposes, and to Foundation retained earnings designated by the Board of Directors for University use.

POLICY AND PRACTICES

- A. **Funds from External Sources:** Funds held by the Foundation from external sources and restricted for University purposes are typically donations or the proceeds from the sale of non-cash gifts made to the Foundation.

Such funds will be accepted consistent with established University and Foundation solicitation policy and practices and according to the provisions of the Gift Acceptance Policy. Such funds are typically classified as discretionary or restricted in nature.

In general, discretionary fund expenditures are appropriate to campus

authorized educational, social, or business activities, student aid or for other purposes not specified below, which clearly advance the objectives of the campus and the California State University, and which are consistent with applicable procurement and accounting practices, and any restrictions stipulated by the source(s) of the funds being used.

Expenditures of discretionary funds are appropriate for refreshments and entertainment in connection with meetings, conferences, or events at and away from the campus in furtherance of campus goals and purposes.

Payment of memberships in community or professional organizations is appropriate when such membership is relevant to the department, school, or University. No funds may be used for membership when such membership practices are discriminatory on the basis of race, creed, color, sex, religion, or national origin.

All expenditure requests of restricted funds must be clearly consistent with the restricted purpose.

- B. **Funds from Internal Sources:** Funds from sources internal to the Foundation, and designated for University use, are managed through the University.

The expenditure of these funds is generally limited to purposes likely to be most helpful to the University's programs and/or projects of a University-wide nature.

Each project or program to be supported in significant part through this funding source shall have a Project Director designated by the Dean responsible for the project or Vice President level to have expenditure authority over such funds.

- C. **Expenditure Documentation:** All requests to expend funds designated for University purposes must be in written form per the public relations policy and procedure, including appropriate supporting documentation, with dates, purpose and individuals or groups involved, location, and amounts clearly stated. Reference source: Appendix J (CSU Document), "Manual of Policies and Procedure for Auxiliary Organizations."