

Use of University Funds for Gifts, Social Functions and Donations

REASON FOR PROCEDURE

As a public university and agency of the State of Indiana, the University draws funding from a wide range of sources including students, taxpayers and benefactors. The University has an obligation to these constituencies to use its funds prudently in pursuit of its mission and goals. All uses of University Funds, therefore, must be directly related to University business and in the best interests of the University. These procedures provides guidance to departments and employees when considering the use of University Funds for gifts, social functions, and donations.

APPLIES TO

All employees and individuals with authority to request, control or approve the expenditure of University Funds.

DEFINITIONS

“University Funds” are all operating and non-operating revenues of the University. For the purposes of this guidance, University Funds also include grant funds managed or administered by the University, unless the terms of the grant contract clearly authorize a usage not consistent with this procedure. University Funds do not include funds from or belonging to the Foundation.

“Sponsorships” include all situations wherein the University provides funds, goods or services to an outside organization in support of one or more activities, events or programs with the expectation of acknowledgment, recognition or promotion. Sponsorships are discernable from donations in that Sponsorships provide a measurable benefit to the University, whereas donations are provided with no expectation of a measurable benefit to the University.

GUIDANCE

I. Gifts

University Funds may not be used to purchase gifts for University employees or their families in recognition of holidays or personal events such as birthdays, birth or adoption of a child, or marriages. This restriction does not apply to:

- Noncash items or benefits offered due to an employee’s status as a student, or member of the general public.
- Gifts given in recognition of employee achievements or milestones, in accordance with University-wide practices administered by Human Resources.
- Bereavements are covered, but can only be handled by the Human Resource Department.

II. Social Functions

University Funds may not be used for social functions or parties attended solely or primarily by University employees such as holiday office parties or summer outings.

III. Donations

Donations of University Funds are not permitted.

ENFORCEMENT

The University will not reimburse employees for expenditures of personal funds in violation of this procedure, and employees who expend University Funds in violation of this procedure will be required to reimburse the University.

PROCEDURES

University employees shall use their best judgment to expend University Funds only when justified with a business purpose and a clearly identifiable benefit to the University. The act of requesting, using or approving any use of University Funds constitutes the employee's official determination that the expense is justified by a business purpose and in the best interests of the University. When evaluating whether an expenditure is appropriate, employees should consult with the appropriate University offices and departments. Any uses of University funds not consistent with this procedure should be rejected by the appropriate employee.

Exceptions to this procedure may be approved on a case-by-case basis by the President, Provost, the Vice President of Finance and the Vice President for Workforce Development/Community Services.