Guidelines for Use of Discretionary Funds

Background
The UW-Whitewater Foundation has been entrusted by its donors to manage and distribute charitable donations to benefit the University of Wisconsin-Whitewater. Many of these donations are made with a very specific purpose in mind, and the Foundation ensures that such funds are distributed for that purpose. However, many donations are made to accounts that are under the broad discretion of a college dean, department chair, director, or similar position. Even in these cases the Foundation has a responsibility to ensure that all such discretionary funds are distributed in a manner consistent with the mission of the University. The following policy details how such funds shall be managed by giving an overview of acceptable and not-acceptable expenditures.

Overview of Acceptable Expenses

- Ordinary, reasonable and necessary expenses incurred in the conduct of the department or program (E.g., equipment, computer software, curriculum materials).
- Scholarship expenses reimbursed to the University
- Other payments to students to assist them with their direct educational expenses. (*Example: payment to attend a seminar including travel.*)
- Fundraising, marketing and alumni and donor relations expenses
- Excess travel costs for University-related travel not covered by the University. (Subject to limitations below.) Mileage will be reimbursed at the Standard Rate for automobiles as listed in the UW System Travel Regulations.
- Reimbursement for personal expenses incurred when conducting University work that is not reimbursed by the University or any other source.
- Newsletters or printing consistent with the University's campus identity standards
- Employee meal expenses for a departmental sponsored, work-related meeting of which the meal plays a minor role. (*Example: a departmental planning meeting where lunch is served.*)
- Food for a departmental sponsored student meeting, student awards ceremony, retirement reception or employee recognition event.
- Hosted meals or entertainment as part of conducting University business
- Payment of admissions charges to social or business events in which attendance is required or recommended as part of an employee’s official duties.
- Plaques, certificates and awards for University-related service
- Flowers for a funeral for individuals associated with the University
• Membership in civil organizations or trade associations that are required as part of employment
• Cash for events where it is required provided that a full accounting is given to the Foundation within 30 days.
• Reimbursement of a University “233” gift account

Overview of Not-Acceptable Expenses

• Direct payment in the form of salary or bonus to a University employee (or an individual working as if a University employee), unless this individual is working on Foundation-related business or the Foundation is party to an employment agreement with the University's consent. Foundation-related business must be pre-approved by the Foundation President.
• Donations to other not-for-profit entities unless the support is structured as from the University as a whole where the Chancellor has determined that the organization or event is important for University-wide public and community relations. If an organization chooses to do a fundraiser for another non-profit or organization outside of UW-Whitewater, any money collected should be provided directly to the non-profit and any checks should be written directly to the associated non-profit or organization so that it does not flow through the Foundation.
• Payments to students for non-educational expenses. *(Example: student with financial need requires help to pay rent.)*
• Fines, penalties, parking tickets, criminal or civil penalties on behalf of an individual
• Maintenance or replacement of University employee’s personal property.
• Employee meal expenses in which the primary purpose is social, or in which the meal plays a major role. *(Example: colleagues going to lunch and simply discussing business)* This includes any sort of holiday party including Administrative Professionals Day.
• Employee birthday, anniversary, holiday etc. gifts or cards.
• Reimbursement for excess travel expenses that include personal entertainment expenses, travel upgrades, room charges beyond the basic cost of the room (mini-bar, etc.)
• Reimbursement for personal expenses incurred when conducting University work that have been reimbursed by the University or any other source.
• Office holiday decorations
• Membership in civil organizations or trade associations that are not required as part of employment
• Requests for petty cash funds
• Lobbying or political activities

Process

The Foundation Accountant has the authority to deny any expense from a discretionary account. Upon notifying the department of this denial, it may be appealed to the Foundation Manager who will consult the Foundation President. The Foundation Manager will then notify the department of the final decision. The Foundation President may consult with the Foundation’s Executive Committee as part of this process. It is highly recommended that if people have questions that they contact the Foundation for assistance prior to incurring the expense.