**SECTION**: Gift Revenue

**SUBJECT**: Financial Stewardship of Gifts Documented Procedures

**APPLIES** **TO**: All units who receive gifts

**NOTE: Changes for FY2018/FY2019 are identified in red text**

**Financial Stewardship of Gifts Overview**

The objective of the Financial Stewardship of Gifts process is to ensure that all gifts are processed and recorded properly. In addition, it is also to ensure gifts are being spent and according to donor’s intent.

**Financial Stewardship of Gifts Process**

| **Activity** | **Responsibility** | **Reference/Comments** |
| --- | --- | --- |
| **GIFT ACCEPTANCE** |  |  |
| Determine if gift is acceptable.  Note: unusual gifts in kind (particularly real estate) and securities need careful review – please contact Gift and Records Administration (GRA) for assistance. | [insert appropriate person(s)/position(s) (i.e. Development Staff, Gift Officer, Dean, Director)] | See [SPG 602.02](http://spg.umich.edu/policy/602.02) for guidelines.  Information on various types of gifts can be found at:  <https://leadersandbest.umich.edu/how>  Additional procedures for accepting real estate can be found at: <https://devweb.dev.umich.edu/news/display_story.cfm?typecd=POL&Item=1797>  For further information/guidance:  Call the Gift and Records Administration Help Line toll free at 1-888-518-7888, 8 a.m.-5 p.m., Monday through Friday, Eastern time, or email [umgift@umich.edu](mailto:umgift@umich.edu).  Or contact your GRA Unit Liaison: [insert appropriate GRA Unit Liaison and phone number]  GRA Liaison School, College & Unit Contact List  <https://docs.google.com/document/d/1xcQcTBCPeQzS16DT71AdJ4FflvYOq0MVr6xfTzy0hU0/edit>  For specifics questions on Securities: call GRA Help Line or email [umgiftsec@umich.edu](mailto:umgiftsec@umich.edu). |
| If gift is not acceptable notify donor. | [insert appropriate person(s)/position(s) (i.e. Development staff, Gift Officer, Dean, Director)] |  |
| Contact Development Legal Services at (734) 647-6095 when a gift has terms that should be preserved by a written agreement. Development Legal Services handles all gift agreements and gift letters for major gifts. | [insert appropriate person(s)/position(s) (i.e. Development staff, Gift Officer)] | Standard gift agreement templates can be used when drafting agreements and are available here: <https://devweb.dev.umich.edu/depts/details.cfm?deptid=OVPD0011&doc_id=1506> |
| Once agreement is written, obtain necessary approvals/signatures from Dean or Unit Director and Donor.  NOTE: Two original copies should be signed – one is retained by Office of Development and one is sent to Donor. | [insert appropriate person(s)/position(s) (i.e. Development staff, Gift Officer)] |  |
| Copies of all donor documents (including gift agreements or documents relating to donor intent) for expendable gifts should be provided to the Shared Services Center at the time the chartfields are established.  For endowment, please provide any documentation to Financial Operations at the time of establishment. | [insert appropriate person(s)/position(s) (i.e. Development staff, Gift Officer)] |  |
| Gift records, such as donor correspondence, documentation on expenditures not stored in the central imaging system, selections for a scholarship/professorship recipient, or similar documentation should be maintained for a period of seven (7) years from the time of receipt or until the donor’s gift has been fully spent, whichever is longer. | [insert appropriate person(s)/position(s) (i.e. Development staff, Gift Officer)] |  |
| Forward signed agreements to Development Legal Services, who will obtain VP of Development’s approval/signature (and CFO’s or Provost’s if necessary).  Once agreements are signed, Development Legal Services will send one to be imaged and the other to the Donor. Legal will send a copy of the signed agreement to GRA and the MGO(s). GRA will record gift in DART. | [insert appropriate person(s)/position(s) (i.e. Development staff, Gift Officer)] | Note: CFO and/or Provost must also review and sign agreement for gift such as:   * Gifts for construction or increases in UM operating budget require CFO approval * Gifts directly affecting faculty positions require Provost’s signature   Gifts of real estate require CFO approval plus conformance to real estate policy |
| **PROCESSING/RECORDING GIFTS** |  |  |
| If unit receives a gift (i.e. instead of the Office of Development receiving it), the following position(s) are authorized to receive the cash, checks and/or handle the credit card information in the [insert name of school/college/unit/department].  (GRA will record gifts submitted directly to the lockbox by the donor) | [insert appropriate person(s)/position(s) (should also be listed on Cash Handling procedures as “Receiver” or “Processor”)] | Individuals handling cash/checks should take the Cash Handling training course ([My LINC](https://its.umich.edu/enterprise/administrative-systems/training/my-linc-overview) TME103) and individuals handling credit card info should take the Merchant training course ([My LINC](https://its.umich.edu/enterprise/administrative-systems/training/my-linc-overview) TME102). Cash Handling training only needs to be taken once; Merchant training needs to be taken annually. |
| Follow the steps/controls outlined in the Cash (and Check) Handling written procedures including: 1) maintaining a log of gifts received, 2) safeguarding, 3) separation of duties, etc. |  | Refer to Cash Handling procedures which are located [list where unit’s Cash Handling written procedures can be found (i.e. link, share drive, appendix, etc.)]  Units can utilize gift log available in M+Google web apps, for more information see:  <https://sites.google.com/a/umich.edu/gift-form/public-content/getting-started>  OR  <https://sites.google.com/a/umich.edu/gift-form/public-content/help> (sign in with uniqname and password). |
| If a cash gift is received, complete cash receipt ticket (CRT) online using Wolverine Access and deposit the cash at an auto-deposit station.  If a check or credit card info is received, do not deposit/process - forward it to Gift and Records Administration. | [insert appropriate person(s)/position(s) (should also be listed as the “Depositor” in the Cash Handling procedures)] | Individuals creating CRTs and/or depositing cash should take the Depository Certification training ([My LINC](https://its.umich.edu/enterprise/administrative-systems/training/my-linc-overview) TME101) every two years.  Positions responsible for depositing cash should not be responsible for receiving funds or performing reconciliation.  For more info on depositing process, see: <http://www.treasury.umich.edu/deptraining.html>  Important: DO NOT SEND CASH TO GIFT AND RECORDS ADMINISTRATION OR PLACE IN THE GIFT DROP BOX AND NEVER THROUGH CAMPUS MAIL. |
| Confirm if the donor has a LookupID (LID - formerly “EID”) by performing a constituent search in DART while completing the Gift Processing Form. If donor does not have LID, partially complete the form leaving the LookupID field blank. | [insert appropriate person(s)/position(s) (i.e. Development Staff)] | Guidance on how to perform a constituent search in DART can be found at: <https://dart.dev.umich.edu/node/72>  Gift Processing Form can be found at: <https://sites.google.com/a/umich.edu/gift-form/>  For instructions, see:  <https://sites.google.com/a/umich.edu/gift-form/public-content/getting-started> OR <https://sites.google.com/a/umich.edu/gift-form/public-content/help>  Also see the Best Practices in Gift Processing presentation for further instructions. <https://docs.google.com/presentation/d/1GEWUjEjmo45kWXo8_g4forhAI1Fcf0eUsoEAwfDeWvg/edit> |
| Send Gift Processing Form (or Response Card) along with the CRT (for cash gifts only) or check or credit card info, and any related correspondence (i.e. donor notes) to Gift and Records Administration via Development Drop Box.   * Gifts *with* Constituent LookupIDs (LID): * Use a **Standard** Campus Envelope * Label the envelope “Development Drop Box” * These envelopes are delivered to the Lockbox * Gifts *without* Constituent LookupIDs (LID) or cash gifts/gifts in kind: * Use a **Red** Campus Envelope * **Red** and any **Standard** envelopes that are labeled anything other than “Development Drop Box” are delivered to GRA | [insert appropriate person(s)/position(s) (i.e. Development Staff)] | It is the responsibility of each unit to transfer gifts to the processing office in a timely manner.  Development Drop Boxes are located in the Michigan League ~~Union~~ , Pierpont Commons |
| For endowment or non-endowment related chartfield requests, the forms can be found at the Shared Services Center website. ~~Determine if a new endowment related chartfield needs to be established. If so, submit a New Chartfield Request Form to FinOps and copy your GRA Unit Liaison. For non-endowment related chartfields, the form is submitted to the SSC.~~  NOTE: some new gifts may be deposited to already established project/grants or endowments as long as the donor does not want a specific title for the gift or the donor intent is not covered by already established expendable or endowed accounts. If a new chartfield is not needed, send gift or pledge to GRA. | [insert appropriate person(s)/position(s) (i.e. Development staff works Finance/Accounting person)] | New Chartfield Request Forms, which include submission instructions, can be found here:  <http://ssc.umich.edu/forms/>  ~~http://www.finance.umich.edu/node/11693~~ |
| Document and maintain donor intent via [Insert method used to document and track Donor Intent (i.e. spreadsheet, database, DART)]. | [insert appropriate person(s)/position(s) (i.e. Development Staff)] | Donor intent should be documented in a way that allows the unit to easily review potential uses of funds.  Donor intent may be tracked in DART, it should be entered within the Attributes tab of the Purpose page. For more information, see: <https://dart.dev.umich.edu/node/94>  Development Unit Liaisons should request DART access for individuals requiring access to enter donor intent via “Add New Contact Info” or “Update Contact Info” forms:  <https://devweb.dev.umich.edu/directory/index.cfm>  or submit a DevSvcs Helpdesk Development Systems Access ticket:  <http://services.dev.umich.edu/index.php?base=team&page=csa>  Successful completion of DEVE103 training course is required prior to activating access. |
| Review the DART Gift Report weekly and compare it to the unit maintained log to ensure all credit card and check gifts were recorded accurately.  For issues or questions, contactGift and Records Administration Help Line for further information toll free at 1-888-518-7888, 8 a.m.-5 p.m., Monday through Friday, Eastern time, or submit a ticket: <http://services.dev.umich.edu/index.php?base=team&page=gra> | [insert appropriate person(s)/position(s) (i.e. Development Staff)] | See “Gift Reconciliation Best Practices” for more details:  <https://docs.google.com/presentation/d/1VRMCC00Tj1zJHTOkfcCXjyquCgMyJZ8__TwxXEE7YSM/edit#slide=id.p4>  [~~https://docs.google.com/presentation/d/1GEWUjEjmo45kWXo8\_g4forhAI1Fcf0eUsoEAwfDeWvg/edit~~](https://docs.google.com/presentation/d/1GEWUjEjmo45kWXo8_g4forhAI1Fcf0eUsoEAwfDeWvg/edit)  DART Gift Report is located in Business Objects at: UM-Maintained 🡪 Development 🡪 DART Development Reports by Category 🡪Revenue Reports 🡪 Gift Acknowledgement Report (latest version) |
| **IDENTIFYING POTENTIAL USES** |  |  |
| The [insert name of school/college/unit/ department] develops a plan annually to identify sources and potential uses for funds and ensures they are consistent with donor intent. The following items are considered (or steps are taken) when developing:  [describe detailed process used to identify potential uses and what items are considered or what steps are performed such as:   * using more restrictive funds first; * endowment distributions; * reviewing donor criteria; * using query tools such as DART, Business Objects, Scholarship Matching Tool or Access Database to get a listing of all potential matches; * pulling source documentation (i.e. agreement) to verify match;   contacting Legal if donor criteria is unclear or outdated; review and approval of plan] | [insert appropriate person(s)/position(s)] | All gifts should be spent according to donor intent. Even if a donor only stipulates that the gift is for a particular unit to spend at their discretion, it should remain in the expendable (gift) fund and should not be commingled with other, non-restricted funds such as designated or auxiliary. |
| **ACCOUNTING SET-UP/SPENDING** |  |  |
| Set up costs associated with the gift expenditures corresponding with the nature of the expense (e.g. appointments for salary, Financial Aid Item Types for student aid, shortcodes/chartfields for purchases, etc). | [insert appropriate person(s)/position(s) (i.e. Finance Staff)] | New/change in appts: [M-Pathways Student Administration and Human Resource Management System](http://wolverineaccess.umich.edu/render.userLayoutRootNode.uP?uP_root=root&uP_sparam=activeTab&activeTab=3) 🡪 Workforce Administration 🡪 Job Information 🡪 Submittal Form Pages (see Employment – Change in Appt (Including New Appts) procedures for more details)  FAIT request worksheets: <http://www.mais.umich.edu/student/faforms.html> (see Unit-Administered Financial Aid procedures for more details)  Shortcode/Chartfield requests: <http://ssc.umich.edu/eForms> |
| Review and approve expenses via the appropriate method (i.e. purchases reviewed on expense report in Concur, appointments reviewed on Submittal form or DBE Workflow transaction, etc.) | [insert appropriate person(s)/position(s) (i.e. supervisor, higher level of authority)] | See Concur written procedures, Unit-Administered Financial Aid procedures and Change In Appointment (Including New Appointments) procedures for further details.  Procedures are located [insert where unit’s procedures/documentation can be found (i.e. link, share drive, appendix, etc.).] |
| Review "pending/holding" gift accounts monthly in the Statement of Activity and submit Gift Adjustment Ticket to Gift and Records Administration Team before quarterly deadline if transfers are necessary. | [insert appropriate person(s)/position(s)] | GRA Gift Adjustments Ticket Box:  <http://services.dev.umich.edu/index.php?base=team&page=gra> |
| Ensure funds were transferred by confirming they are properly reflected in DART/Gift Report and on the SOA. | [insert appropriate person(s)/position(s)] |  |
| Periodically review balances to identify any unspent balances and/or deficits. Notify appropriate management (including both financial and development) of any deficits or unspent balances. | [insert appropriate person(s)/position(s) (i.e. Development Staff, Finance Staff)] |  |
| **REPORTING BACK TO DONOR –** |  |  |
| The [insert name of school/college/unit/ department] sends a report to donors when the following criteria is met:  [insert unit criteria (i.e. at donor’s request, over a threshold, per Stewardship Guidelines, etc.)] |  | NOTE: For endowments and large gifts, the Office of University Development and Unit Stewardship departments report back to donor.  For additional guidance, see the “Stewardship Guidelines” document in DevNet at: <https://devweb.dev.umich.edu/depts/subsection.cfm?docID=7224&deptid=OVPD0018>  For more information, select “Reporting” within the [Stewardship Toolkit](https://devweb.dev.umich.edu/depts/subsection.cfm?docID=7469&deptid=OVPD0018) on the Stewardship homepage in DevNet. |
| Create and send report to donor(s). | [insert appropriate person(s)/position(s) (i.e. Development Staff)] | To see best practice examples, select [Best Practices](https://devweb.dev.umich.edu/depts/subsection.cfm?docID=8792&deptid=OVPD0018) on the Stewardship homepage in DevNet. |
| Maintain a log of reports given to donor.  Review to ensure all donors received a report. | [insert appropriate person(s)/position(s) (i.e. Development Staff)] | Reports given to donor can be logged in DART as an interaction or as a plan step with a category of “Stewardship” and a subcategory of “Communication – Report”. Request DART DEVE101 for access, PRME101 to enter interactions, and PRME201 and STWE101 to fully utilize plan functionality. For more information, see: <https://dart.dev.umich.edu/node/87>  Development Unit Liaisons should request DART access for individuals requiring access to enter stewardship information via “Add New Contact Info” or “Update Contact Info” forms:  <https://devweb.dev.umich.edu/directory/index.cfm>  or submit a DevSvcs Helpdesk Development Systems Access ticket:  <http://services.dev.umich.edu/index.php?base=team&page=csa>  Successful completion of STWE101 training course is required prior to activating access. |
| **RECONCILIATION** |  |  |
| Review Statement of Activity and other management reports as appropriate depending on nature of expenditure to ensure charges have been assigned to the proper chartfields and to identify any unknown or unexpected activity.  Maintain proper evidence of reconciliation. | Reconciler |  |
| Reconcile any cash gifts unit deposited by comparing SOA and/or Finance Yearly Trend Report to unit gift log. | Reconciler | See “Gift Reconciliation Best Practices” for more details:  <https://docs.google.com/presentation/d/1VRMCC00Tj1zJHTOkfcCXjyquCgMyJZ8__TwxXEE7YSM/edit>  Finance Yearly Trend Report can be found under the MGMT REPORTS tab of MReports. |
| **MONITORING & OVERSIGHT** |  |  |
| Obtain and review a System Role Report to validate all individuals with access to DART are appropriate. Contact ITS Access & Accounts to request a report. | [insert appropriate person(s)/position(s) ( i.e. Development UL)] | ITS contact info: <http://its.umich.edu/help/> |
| Review the Gift Fund Analysis Management Oversight report in MReports for reasonableness as well as unspent balances and deficits. | Unit Administrator | Report can be found in [M-Reports](https://mreports.umich.edu/mReports/) under the Internal Controls menu within the Compliance tab 🡪 Internal Controls Other Reports/Tools 🡪 Gift Fund Analysis |

Other related information:

Key Contacts:

* Gift and Records Administration
  + Gift and Records Help Line:  734.647.6179 Toll Free 888.518.7888
  + Development Services Help Line: 734.647.7777
  + Development Services Help Site: [http://services.dev.umich.edu](http://services.dev.umich.edu/)
  + GRA Help Site Page: <http://services.dev.umich.edu/index.php?base=team&page=gra>
  + DevNet (Development Intranet): [http://devnet.umich.edu](http://devnet.umich.edu/)
  + Email (General Gift Info): [umgift@umich.edu](mailto:umgift@umich.edu)
  + Email (Securities): [umgiftsec@umich.edu](mailto:umgiftsec@umich.edu)
  + Email (Matching Gifts): [umgiftmatch@umich.edu](mailto:umgiftmatch@umich.edu)
* Office of University Development: (734) 647-6000
  + <https://leadersandbest.umich.edu/page.aspx?pid=446>
* Development Legal Services: (734) 647-6095
  + <http://ogc.umich.edu/practice-areas/giving-bequests/>
* Financial Operations - Accounting Services:
  + <http://www.finance.umich.edu/finops/accounting/contact>
* ITS: (734) 764-4357 or [4help@umich.edu](mailto:4help@umich.edu)
  + <http://its.umich.edu/help/>

Related Standard Practice Guides:

* 602.01 [Office of Development](http://spg.umich.edu/policy/602.01)
* 602.02 [Gift Acceptance](http://spg.umich.edu/policy/602.02)
* 602.05 [Use and Release of Donor Information](http://spg.umich.edu/policy/602.05)
* 501.11 [University Investments and Endowment Funds](http://spg.umich.edu/policy/501.11)
* 519.03 [Cash Management Policies](http://spg.umich.edu/policy/519.03)

Record of Revisions:

|  |  |  |  |
| --- | --- | --- | --- |
| **Date of Issue** | **Description of Change** | **Page(s) Affected** | **Approved By** |
| 1/16/2013 | Original template created | All | [insert name] |
| 10/7/2013 | Updates for FY14 including new form and log in M+Google app and review of Gift Fund Analysis management oversight report | 2,3,5,7,8 |  |
| 1/18/16 | Replaced links | 1,3,8 |  |
| 11/2016 | Updated Links, clarifying language, and some info regarding Gift Logs. | 1,3,5,6,8,9 |  |
| 11/2017 | Replaced broken links, and Removed reference to deleted SPG 602.14 from Related Standard Practice Guides section | 4, 5, 9 |  |
| 10/2018 | Updated/Added information regarding document retention and endowments. | 2, 3, & 5 |  |

Document Owner: [insert name], [insert title]

Administrative Owner: [insert name], [insert title]