

# William & Mary Foundation Processing Foundation Funds

Updated January 2023



WILLIAM & MARY

CHARTERED 1693

# William & Mary Foundation Index Structure

- WMF = Chart E in Banner
- Unrestricted indexes – 1xxxxx
  - Donor has not provided a purpose restriction
  - Foundation board internally designates unrestricted funds for specific purposes as part of the annual budget approval process (e.g. Advancement, scholarships, office funds, etc.)
- Restricted indexes – 2xxxxx
  - Donor has provided a purpose restriction
  - 21xxxx – expendable
    - Funds carry over year to year until funds are gone
    - Gifts may be added
  - 26xxxx & 27xxxx – endowment spendable funds
    - Donor gift is permanently restricted and invested with the 1693 Partners Fund.
    - Receives an allocation of units similar to a mutual fund investment.
    - Spendable index receives a spending allocation or payout each year based on units held
- Unrestricted and restricted funds cannot be commingled even if they have the same purpose designation

# University Local Funds

- University = Chart W in Banner
- Various funding sources – fees, gifts, auxiliary revenues, funding from a related foundation, etc.
- Funding from WMF:
  - 1Wxxxx (unrestricted)
  - 2Wxxxx (restricted)
  - These funds are mapped to the related Chart E index via an activity code

# Local Fund Policy

- <https://www.wm.edu/offices/financialoperations/announcements/fy19localfundspolicy.php> :
- Expenses for university business should be handled through the university and not invoiced directly through one of its affiliated foundations
- 1W and 2W indexes should be established to process expenses where the funding is from WMF

# 1W & 2W Indexes

- Chart E indexes are mapped to Chart W indexes based on the purpose designation through a common activity code
  - Chart E 1xxxxx indexes are mapped to Chart W 1Wxxxx indexes
    - Chart E 112145 mapped to Chart W 1W2145; activity code 1W2145
      - 1-restriction indicator; W-funding from WMF; 2145-same as Chart E index
  - Chart E 2xxxxx indexes are mapped to Chart W 2Wxxxx indexes
    - Chart E 210190 mapped to Chart W 2WK001; activity code 2WK001
      - 2-restriction indicator; W-funding from WMF; K-organization; 001-numerical numbering of funds in that org
- The activity code is the Chart W index number
- Multiple Chart E indexes can be mapped to one 1W or 2W index if they have the same purpose designation

Department	Chart E Fund/Index	Chart E Name	Chart E Org Code	Chart E Program Code	Chart E Activity Code	Chart W Fun	Chart W Inde	Chart W Name	Chart W Org Code	Chart W Program Code	Chart W Activity Code
A&S - Charles Center	213700	Judaic Studies Expendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14
A&S - Charles Center	268535	Gumenick, S. & N. Spendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14
A&S - Charles Center	268775	Judaic Studies Fd Fu Spendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14
A&S - Charles Center	273710	Kolker, Rosa J Judaic Spendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14
A&S - Charles Center	273940	Littauer, Lucius N. Spendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14
A&S - Charles Center	274020	Lovell, Stephen & Diane Spendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14
A&S - Charles Center	275125	Pfeffer, Ada And Abe Spendable	3KF1B0	10110	2WKF14	2WKF14	2WKF14	Judaic Studies General Support	3KF1B0	10110	2WKF14

- Similar restrictions cannot be grouped if there is a specific donor restriction that is not consistent. Example: Library acquisitions American History vs. Library acquisitions British History. Both are library acquisitions but we need to be able to identify the specific items that were acquired that meet the donor restriction.
- 1W's and 2W's do not have a budget loaded. Refer to Chart E related index(es) to determine budget available.

# How to Request a 1W or 2W Index

- 1W/2W's can only be established in the middle of a fiscal year if no activity has been posted to the Chart E index(es); most 1W/2W's that are requested mid-year will be effective the following July 1 and won't be active for use until the next FY.
  - Existing transactions cannot be seen on FGIBDSR when an activity code is added to the index
- Contact Dan McKeal ([jdmckeal@wmf1693.org](mailto:jdmckeal@wmf1693.org)) to request 1W or 2W indexes
- Review of index restrictions will be done to determine if indexes with similar restrictions can be mapped to one 2W
- Request will then be sent to Data Control requesting the 1W or 2W index
- Activity code will be added to Chart E index

# Processing Expenditures

- Expenditures charged to 1W or 2W indexes must follow:
  - University local fund and purchasing guidelines; and
  - The donor restrictions of the related Chart E index
- If you have unique instances that “just don’t fit” standard university business, University Operations will work with you to see if it qualifies for a reasonable exception under the University’s policies or whether you should consult with WMF to determine whether we can support the activity directly.
  - Direct payments to vendors made by the Foundation must follow the Foundation’s Board approved policy guidelines
- Deficits in Chart W indexes must be cleared every 60 days (<https://www.wm.edu/offices/budgetoffice/deficit-monitoring-policy/index.php>)

# Processing Reimbursement Requests from WMF

Executive Summary FGIBDSR 9.3.7 (PROD)

Chart: W Fiscal Year: 19 Index: 2WD003 Query Specific Account:  Include Revenue Accounts:  Commit Type: Both

Organization: 3D1000 Intl Studies - Reves Center Fund: 2WD003 Reves Center-Dunn-Stofan Program: 10110 General Academic Instruction Account:

Account Type: Activity: 2WD003 Reves Center-Dunn-Stofan Location:

EXECUTIVE SUMMARY

Account	Type	Title	Adjusted Budget	YTD Activity
550300	R	Contributions from W&M Fdn	0.00	8,874.25
712150	E	Printing	0.00	15.75
712240	E	Registration Conference Material	0.00	459.00
712270	E	Conference Expenses	0.00	5,574.86
712370	E	Insurance Premium	0.00	100.24
712420	E	Fiscal Services	0.00	40.40
712680	E	Skilled Services	0.00	1,100.00
712820	E	Travel-Personal Vehicle	0.00	631.44
712830	E	Travel-Public Carrier	0.00	1,322.15
712850	E	Travel-Subs/Lodging	0.00	4,788.19
712880	E	Travel-Meals/Overnight	0.00	788.96
Net Total			0.00	5,438.74

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- Identify amounts or items to be reimbursed & verify there is sufficient budget available:
  - \$5,438.74 needs to be reimbursed
  - Available balance in Chart E index is \$126,879.45

Executive Summary FGIBDSR 9.3.7 (PROD)

Chart: E Fiscal Year: 19 Index: 211571 Query Specific Account:  Include Revenue Accounts:  Commit Type: Both

Organization: 3D1000 Intl Studies - Reves Center Fund: 211571 Dunn-Stofan Reves Ctr Intl Studies Program: 10110 General Academic Instruction Account:

Account Type: Activity: 2WD003 Reves Ctr - Dunn-Stofan Location:

EXECUTIVE SUMMARY

Account	Type	Title	Adjusted Budget	YTD Activity	Commitments	Available Balance
600000	L	BUDGET ENTRY		135,753.70	0.00	135,753.70
714510	E	Paid to College		0.00	8,874.25	-8,874.25
Net Total				135,753.70	8,874.25	126,879.45

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- Note that Chart E Account 714510 balance equals the balance in Chart W Account 550300 Contributions from W&M Fdn



# Processing Reimbursement Requests from WMF

(Continued)

Send form as a PDF with supporting documentation to [wmfdirect@wmf1693.org](mailto:wmfdirect@wmf1693.org)

Banner Document Number: **JE063701**  
For Foundation Use Only

**EXAMPLE** WILLIAM & MARY FOUNDATION  
CHECK REQUEST FORM  
To Reimburse W&M via ACH/Direct Deposit

Contact Name, Department, Phone: Barb Youngk, Reves Center, 412-478-0760

Vendor/Payee Name: William & Mary  
Direct Deposit (index-account): 2WD001 - 550300 ✓  
Only 1 Chart W index per reimbursement form

Banner Vendor Number: **931056374** (William & Mary - Foundation Use)

Limit of 10 Foundation indexes

Index	Account Code - 714510 only	Amount
✓ 275698	714510	\$24,756.84
Total Amount Requested:		\$24,756.84


Description of Expenditure/Commodity:  
Reimburse funds from 275698 to 2WD001 - Reves Center operations ✓

Do not adjust template; if more space is needed for description, provide it as additional supporting documentation.  
**REQUIRED APPROVALS**

The fund administrator certifies that the goods or services specified above have been received or performed, that sufficient budget is available to cover payment, and that this expenditure is a proper charge to the fund(s) indicated.

**PURCHASES OF \$20,000 OR MORE**—must first have two additional signatures of the following officers of the Foundation: the Chairperson of the Board, the Vice Chairperson for Development Strategy, the Vice Chairperson for Investments, the Chief Executive Officer, the Secretary, the Chief Financial Officer and Treasurer, the Assistant Treasurer.

**PURCHASES OF \$50,000 OR MORE**—must first be approved by the Chair of the Budget & Finance Committee of the Board of Trustees of the William & Mary Foundation.

 Fund Administrator Cindy L. Gass <small>Assistant Treasurer</small>	Date 01/2021	CEO/KFO & Treasurer/Board Chair/Board Vice Chair	Date
	Date	Budget & Finance Committee Chair	Date

Last updated 9/17/20, HB

**EXAMPLE**

- If a Chart E index is mapped to a Chart W 1W or 2W index, it can only reimburse that index
- Prepare foundation check request to request reimbursement; 93# is 931056374
- Chart W credit index/account should be 1Wxxxx or 2Wxxxx Account 550300 Contributions from W&M Fdn
- Charge Chart E index Account 714510 Paid to College
- Include information in description that supports why expenditure meets donor restriction (example: Purchase of books on British History)
- Signature from authorized signer must match what WMF has on file
- Purchase policy for \$20K+ and \$50K+ apply to Foundation direct expenditures, not to 1W/2W reimbursements.
- Once reviewed, WMF applies a document number and processes the reimbursement.

# Processing Reimbursement Requests from WMF

(Continued)

- Supporting documentation must be included with check request and include:
  - Detail to support amount being requested; and
  - Documentation that items meet donor restriction of the Chart E index
- Examples:
  - Copy of 1W or 2W Banner Executive Summary (FGIBDSR)
  - Transaction Detail report from Qlik (Budget Detail App); make sure to widen the Transaction Description column.
  - BuyW&M documentation; Amazon order detail may need to be included depending on the index's restriction
  - Invoice copy(ies)
  - Payroll detail

Email signed check requests with supporting documentation as a combined PDF to [wmfdirect@wmf1693.org](mailto:wmfdirect@wmf1693.org). Requests are typically processed the same week.

# Depositing Foundation Funds

- Starting in 2020, WMF began processing deposits via ACH (direct deposit)
- Deposit information is input at the top of each check request

Vendor/Payee Name: William & Mary  
Direct Deposit (index-account): 2WD001 - 550300 ✓  
• Only (1) Chart W index per reimbursement form

- This is also why we can only reimburse (1) 1W or 2W index per check request.
- Reimbursements are typically processed once a week, please reach out to [hbouchard@wmf1693.org](mailto:hbouchard@wmf1693.org) if you have questions related to a check request you have submitted.

# What If Expenses are Charged to An Index Other Than a 1W or 2W?

- Chart E indexes that have been mapped to a Chart W 1W or 2W index can only reimburse the 1W or 2W
- Process a journal entry to move the expenses to the 1W or 2W then request reimbursement
- Currently, if a Chart E index is not mapped to a 1W or 2W, WMF will process a reimbursement request to other types of Chart W indexes
- The deposit account code to a non-1W/2W index should be confirmed with Financial Reporting before submitting a check request.

# If I have money with WMF, why can't I just spend directly from the Foundation?

- **Separation of Foundation/University** – foundations created to support the mission, but are not intended to be an operating arm of the University
- **State procurement law**
- **More transparency/better management** - understanding the scope of university business

# Does that mean EVERYTHING has to go through the University?

- The intent is for standard program expenses (personnel expenses, standard office supplies and materials, program expenses, business travel, business meals, etc.) to be managed through the University with the Foundation providing funds as “revenue” to offset the cost.
- University policies and procedures recognize that there will be instances outside of normal business operations when WMF may spend money on the University’s behalf.
  - Contact University Operations for guidance whether situation meets these guidelines
  - Prior approval is needed by the Foundation Chief Financial Officer for item to be direct paid by the Foundation
  - Must comply with Foundation Board approved policies

# Questions?

