

## **Support Organizations/Foundations Payment Requests Procedures – FY 2011**

Colleges and Divisions which receive support from Support Organizations/Foundations are required under System Administrative Memorandum 08.A.02§ 4.3 to use the Support Organization/ Foundations Payment Request form to request payments to and on behalf of the University.

The purpose of this requirement is to ensure that all support to the University reported by the Support Organization/Foundation on their annual tax returns agrees with the support recorded in the University's financial system.

To be in compliance with SAM 08.A.02§ 4.3, the payment request forms and procedures have been revised to simplify the payment request process and to assure all Support Organization/ Foundation payments are recorded to the general ledger. These changes will go in effect September 1, 2010.

## Completing the Form

The revised payment request form will be available on the Finance and General Accounting website.

- a. <http://www.uh.edu/finance/pages/forms.htm>
- b. [http://www.uh.edu/finance/pages/GA fin acct.htm](http://www.uh.edu/finance/pages/GA_fin_acct.htm)

The form has three sections to complete to request payment from the Support Organization/Foundation.

### Section 1: Payment information

- A. Provide the name of the College/Department, Campus, date that payment is being requested, and contact name and number.
- B. Provide the name and address of the recipient to receive payment (i.e., the University or third party).
- C. Provide additional information as required by the Support Organization/Foundation regarding the request.

### Section 2: Type of payment requested

- A. Select the type of payment requested, either **Direct Payment** or **Gift In Kind Payment**
  1. **Direct Payment** - Payments made to the University to reimburse departments for expenses already incurred or payments to provide funding for future expenses.
    - a. Include:
      - i. Amount requested
      - ii. The appropriate revenue account for the Support Organization/Foundation that is providing the funds from the drop down menu.
        - a. Revenue accounts have been established for each Support Organization/Foundation and are listed in the table. These accounts were established to identify payments from the Support Organization/Foundation.

GL Account	Foundation Revenue Source
42920	Funds from FERV
42921	Funds from HAO
42922	Funds from HAF
42923	Funds from COB Foundation
42924	Funds from Law Foundation
42925	Funds from UH Foundation
44400	Used By ACB, Memberships
44443	Used By ACB, Special Projects
44444	Used By ACB, Services

- iii. Department cost center
- iv. Description of expense with attached supporting documentation

2. **Gift In Kind Payment** – Payments made by the Support Organization/Foundation on behalf of the University for goods or services received from Service Centers, Auxiliaries, or Vendors
  - a. Include:
    - i. Amount requested
    - ii. The appropriate expense account from the drop down menu. Expense accounts have been established by expense category for Gift In Kind payments. The expenses are listed in the table. Revenue account 42909 will be used to record revenue for all Gift in Kind payments

GL Account	Expense Category	General Purpose
54369	Computing Equipment & Maintenance	All expenses related to and for computing and or electronic purchase, repair and or maintenance.
54860	Memberships & Seasonal Tickets - Civic	All memberships, seasonal tickets, renewals and other expenses incurred benefiting the department and or individual for civic purposes.
54861	Memberships & Seasonal Tickets - Academic	All memberships, seasonal tickets, renewals and other expenses incurred benefiting the department and or individual for academic purposes.
53920	Office Supplies	All expenses incurred for the functionality of a department.
53400	Official Functions	All expenses incurred for department and or individual reimbursement and or support of social and or academic functions, with the exception of alcoholic beverages.
53401	Official Functions - Alcohol	Expenses incurred for alcoholic beverages for department and or individual reimbursement and or support of social and or academic functions.
55370	Awards to Students	All expenses designated to students in the form of scholarship or award.
56200	Travel – In State	All expenses incurred while and or for travel, in state.
56201	Travel – Out of State	All expenses incurred while and or for travel, out of state.
52408	Program Support	Support for general operations of academic departments.
54911	Reimbursements for Continuing Education	Reimbursements for continuing education expenses, for cost of attendance and travel or for teaching.
52121	Professional Services	Expenses for professional services on behalf of university departments, such as consultants.
54862	Miscellaneous/Other	All expenses that do not fall into other categories.

- iii. Appropriate Gift in Kind cost center (fund 4053)
- iv. Description of expense with attached supporting documentation.

**B. Section 3: Approvals/Submission**

1. Obtain the signature of departmental personnel authorized to request funds/payments from the Support Organization/Foundation
2. Obtain the signature of the College/Division Administrator
3. Obtain additional signatures as required by the Support Organization/Foundation
4. Submit the form to the appropriate Support Organization/Foundation
5. Submit a copy of the form to General Accounting
6. Retain a copy for Department

### Recording Gifts and Gifts in Kind

Payments from Support Organizations/Foundations made directly to the University will be sent to Treasurer's Office. Treasury personnel will record the deposit to the appropriate revenue account and cost center indicated on the payment request form.

If it is not possible for Support Organization/Foundations to remit payments directly to the Treasurer's Office and payments are sent to the department, the department will be responsible for recording the deposit using the correct GL Revenue account.

Payments from Support Organizations/Foundations for Gifts in Kind will be recorded by General Accounting. General Accounting personnel will record Gift in Kind payments to revenue account 42909, fund 4053 cost center, appropriate gift in kind expense account, and appropriate Chartfield One for the Support Organization/Foundation.

The Chartfield One accounts listed were established for Gift in Kind payments to help identify payments received from Support Organization/Foundation.

<b>Chartfield One</b>	<b>Foundation</b>
FDTN_ACB	Association for Community Broadcasting
FDTN_FERV	Foundation for Education and Research In Vision
FDTN_HAO	Houston Alumni Organization
FDTN_HAF	Houston Athletics Foundation
FDTN_COB	UH College of Business Foundation
FDTN_UHF	University of Houston Foundation
FDTN_LAW	UH Law Foundation

Queries have been created to allow Departments to verify deposits recorded to their cost centers.

- a. *Foundation \_ Deposits*, used for direct payments
- b. *GA\_GIK\_TRANS*, used for Gift in Kind payments

Deposits can also be verified by the 1074 report.

## **Reconciling Payments from Support Organization/Foundation**

General Accounting will receive copies of all payment requests for both Direct and Gift in Kind requests as they are made.

Support Organizations/Foundation will send information regarding payments made to and on behalf of the University to General Accounting by the 15<sup>th</sup> of each month.

Monthly, General Accounting will reconcile payment information received from Support Organization/Foundation to the general ledger.

If there are outstanding reconciling items General Accounting will notify:

1. University Advancement and Assistant Vice President for Academic Operations for payments received for disallowed transactions (direct payments to employees for purposes other than reimbursements; direct payments to students for scholarships)
2. Department Business Administrators, College/Division Administrators, and Assistant Vice President for Academic Operations for deposits made by areas other than Treasury using incorrect GL account number.
3. College/Division Administrator and appropriate personnel responsible if a form has not been received and/or recorded but a payment is listed by the Support Organization/Foundation.

Annually, General Accounting will reconcile payments made by Support Organization/Foundation to the Support Organization/Foundation's annual tax return, form 990.

## **Contacts**

If you have questions, please contact:

Gretta McClain, General Accounting Manager, 713-743-8729, [gmcclain@uh.edu](mailto:gmcclain@uh.edu)

Jane Floyd, Accountant, 713-743-8739, [jfloyd@uh.edu](mailto:jfloyd@uh.edu)

Karin Livingston, Director of General Accounting, 713-743-4415, [klivingston@uh.edu](mailto:klivingston@uh.edu)