

# **VIRGINIA TECH FOUNDATION, INC.**

## **FACULTY/STAFF PROCEDURES GUIDE**

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# INTRODUCTION

The mission of the Virginia Tech Foundation, Inc. (the foundation) is to support the programs of the Virginia Polytechnic Institute and State University (the university). This document communicates the methods by which members of the university community, donors, and alumni can interface with the foundation to ensure the most effective support for the university. **This guide is a dynamic document, which will be regularly reviewed and updated. All users are encouraged to periodically visit the VTF website to make sure the most up to date version of VTF policies is being used.** Since the foundation is a tax-exempt charity, numerous federal and state rules must be followed to ensure that the tax-exempt status is maintained.

The foundation strives to be responsive to the needs of the university community. Throughout this guide, telephone numbers and web addresses are referenced. We welcome any suggestions for improvements to this guide, or to our services in general.

# I. ENDOWMENT FUNDS

## A. Endowment Fund General Information

Endowments are funds or monies that are permanently restricted by a donor. The intent is that the principal of the original gift can be used to provide a perpetual stream of financial support to a program, scholarship or professorship.

To establish an endowment fund, a signed Endowed Fund Letter of Agreement between the foundation and the donor(s) is executed. The foundation agrees to accept the responsibility for the investment and reinvestment of the principal of the fund. The Authorized Signers are responsible for seeing that the payout from the fund is used in accordance with the wishes of the donor(s). The foundation will review expenditures presented for payment to ensure compliance. The principal of an endowment is held constant with a portion of the total return being used each year.

Endowments are assigned two separate banner funds, an income/expense fund and an endowment corpus fund. The income/expense fund will receive the payout distribution, that is, the monies that are expendable. The endowment corpus fund will contain the donor(s) principal gift less any gift fees to the fund, in addition to both realized and unrealized appreciation associated with the fund.

A named individual endowment may be established in the foundation. Virginia Tech policy establishes minimums levels for named endowments so that income is adequate to meet the endowment purpose. Opportunities exist to name scholarships, professorships, fellowships, and lectureships, as well as dean and faculty chairs. The description of the endowment opportunities and the minimum level needed to establish a named endowment at the foundation can be found at: <http://www.vtf.vt.edu>.

## B. Endowment Accounting

Gifts and other additions for endowments are assigned units in the consolidated endowment pool based upon the market value at the date of investment. The market value of units is calculated quarterly and includes both realized and unrealized gains/losses.

### EXAMPLE:

Market Value of a unit 9/30/XX: \$35.00

A gift received for endowment during September: \$250,000

Endowment book value 9/30/XX: \$250,000

Units purchased ( $\$250,000/\$35.00$ ) = 7,142.86

In the above example, the number of units belonging to that fund would remain constant at 7,142.86 units, unless other additions or severances are made to the principal of the fund. Over time, however, as the market value of the assets in the endowment portfolio increases, the value of each unit changes, causing the market value to change as well.

#### EXAMPLE:

Market Value of a unit 12/31/XX: \$36.00  
Endowment book corpus value 12/31/XX: \$250,000 (shown as Banner account 6628)  
Endowment book value realized gains/losses and fees 12/31/XX (shown as Banner account 6632)  
Endowment unrealized appreciation 12/31/XX (shown as Banner account 6633)  
Market value of units (7,142.86 x \$36.00) = \$257,142.96

Realized and unrealized gains/losses, income returned to principal, and fees are posted to the endowment fund quarterly under the account numbers above. Realized appreciation will result from actual sales of securities by the foundation's investment managers. Unrealized appreciation is simply a reflection of the market value as of the end of the most recent calendar quarter.

### C. Payout Distribution

The annual payout distribution for endowment funds is reviewed each year in mid-January. The process begins by adjusting the current endowment payout-per-unit by the Percentage change in the Consumer Price Index (CPI) for the preceding calendar year. The adjusted payout is then measured, as a percent of the twelve-quarter average of endowment values, to ensure that the new payout falls within the approved spending range, as set by the Foundation's Investment Committee. If the adjusted payout-per-unit falls outside of the range, the payout is adjusted further so that it falls within the range. After the new payout has been determined, it becomes operational at the beginning of the upcoming fiscal year on July 1. Accordingly, each fund receives the new payout as a quarterly distribution in September, December, March and June. The payout distribution is posted to the income/expense fund before the close of each quarter.

### D. Income to Principal

In most Endowed Fund Letters of Agreement, donors have provided instructions on how to handle unused income payout. Please note that every effort should be made to find and award all income payout per donor intent in the agreement before considering returning funds to the endowment. Below are three options of how unearned income is directed.

1. The donor directs that no award be made and the unused income remains in the income account in order to provide additional support in subsequent periods.
2. The donor directs that the unused income must be returned to the principal in order to increase the corpus.
3. The donor directs that the unused income may be returned to the principal in order to increase the corpus or may be held for use in subsequent periods.

Income is posted to the income funds by the 5<sup>th</sup> of the month in the endowment quarterly process (Ex: by September 5, December 5, March 5 and June 5). The Income to Principal form ([http://www.vtf.vt.edu/media/forms/income\\_to\\_principal\\_transfer.doc](http://www.vtf.vt.edu/media/forms/income_to_principal_transfer.doc)) found on the VTF website must be used to return income to the endowment fund. The form must be submitted by the 15<sup>th</sup> of the month to the VTF Accounting Office. Journal entries are keyed daily and departments may verify entries have been processed by monitoring their Banner fund balances.

## E. Investment Committee Responsibilities

Specific oversight responsibilities of the Investment Committee in the Investment process, to be performed with the advice and assistance of appropriate consultants, professional advisors, and staff, include:

1. To ensure that current spending requirements are supported while also preserving the purchasing power of the endowment fund corpus.
2. To achieve an optimum level of return within specified risk tolerances.
3. Complying with applicable laws, regulations and rulings appropriate thereto.
4. Developing a sound and consistent investment policy including asset allocation, diversification and quality guidelines.
5. Communicating clearly the major duties and responsibilities of those qualified agents accountable for achieving investment results and to whom specific responsibilities have been delegated.
6. Advising staff on the selection and termination of investment managers and fund consultants.
7. Monitoring and evaluating results to ensure that policy guidelines are being adhered to and that policy objectives are being met.
8. Undertaking such work and studies as may be necessary to keep the Investment Committee members adequately informed as to the status of foundation assets.

## II. CURRENT RESTRICTED FUNDS

### A. Current Restricted Fund General Information

The foundation receives, invests, administers, and disburses funds from donors who have a desire to support specific programs. A gift for current purposes is one that will be spent in its entirety over a finite period of time. Many gifts are intended for immediate spending for a specific project. Other current restricted funds consist of expendable gifts whose purpose is to fund recurring program needs on an ongoing basis.

A fund in the foundation is established for each gift that is restricted for a specific purpose, so those monies can be managed and spent according to the donor(s) instructions. All gifts of like restrictions can be deposited into the same foundation fund.

### B. Investment of Current Restricted Funds

Many of the current restricted funds in the foundation have cash balances, which are carried for extended periods. The foundation provides a means of earning interest by a “VTF Certificate of Deposit”, on fund balances under the following guidelines:

1. The fund’s authorized user must designate by memorandum the dollar amount to be placed in a “VTF Certificate of Deposit.” Such requests should be addressed to the Virginia Tech Foundation, Accounting Office, 902 Prices Fork Road, Suite 4500, Mail Code 0354.
2. A minimum balance of \$10,000 is required to purchase a “VTF Certificate of Deposit.” Amounts in excess of \$10,000 may be invested in \$1,000 increments.
3. Cash designated for investment must be committed for at least one year. No interest will be paid if funds are withdrawn prior to maturity.
4. Balances among several funds cannot be aggregated to purchase a “VTF Certificate of Deposit.”
5. Earnings from a “VTF Certificate of Deposit” will be allocated upon its maturity. The interest rate earned will be one-half the earnings rate of one-year U.S. Treasury Bills at the time the funds are committed for investment.
6. Should the cash balance in an investment fund become negative (deficit), the “VTF Certificate of Deposit” will immediately mature, with only interest posted until that date.
7. Endowment income funds are prohibited from investing in VTF CD’s.

## III. DISBURSEMENTS

### A. General Disbursement Information

The foundation is committed to prompt payment of all requests for payment. Generally, checks are mailed within **15** calendar days of receipt of the check request.

Only authorized fund users may approve the disbursement of foundation money. **All disbursements must be made in accordance with the donor restrictions on the funds, IRS guidelines and foundation policies.**

The foundation parallels the university's policy regarding the distribution of disbursement checks. Accordingly, all checks to vendors will be mailed directly to the vendor; they will not be returned to the department except in special circumstances, as requested.

The foundation requires that in cases where special handling of checks is required, other than mailing directly to the vendor, that those handling instructions be **clearly and boldly marked directly on the request for payment form**. These instructions should be highlighted in a color so that they are more noticeable when the payment is processed. Proper documentation on the RFP form will help assure that the special instructions are followed as requested.

Any backup documentation that needs to be mailed to the vendor with the check should be submitted with the *Request for Payment* form.

The foundation offers and encourages direct deposit of reimbursements to employees of Virginia Tech and the Virginia Tech Foundation. A downloadable version of the [direct deposit application form is available](#). For questions or assistance please contact the Business Office at 231-2507.

### B. Request for Payment, Purchase Order, and Travel Reimbursement Forms

Following is a list of information concerning payment requests: (State or federal law regulations require most of this information).

1. The foundation requires **original** itemized receipts attached to the payment request forms; photocopies are not normally acceptable. When original receipts have been included with a university accounting voucher, a copy of these receipts and information indicating the state disallowed amount should be attached to your request for foundation reimbursement. If a copy is the only documentation available for payment, the foundation requires that the reason be documented on the face of the request for payment.
2. The foundation is **EXEMPT** from Virginia sales tax with the exception to the purchase of taxable services, such as meals and lodging. Sales tax charges should be deleted from invoices. Foundation staff will appropriately deduct sales tax in accordance with Virginia law. When purchases are made through the foundation, vendors should be informed that the foundation is tax exempt. If you need an exemption letter or have a sales tax question, please contact the foundation's accounting group.

3. Request for payment forms should list the payee's Banner ID number if they have one. As identity theft is more rampant in today's society, all foundation information must be handled with appropriate security and access controls, with attention to safeguarding confidentiality. Requests for payment forms should not include any type of personally identifying information (PII), which includes the items listed below. If any of this information is required to process the request for payment, it should be provided on a separate sheet and transmitted appropriately. For questions about PII please contact foundation accounting at 231-2858.
  - a. Social Security Number
  - b. Credit Card Number
  - c. Debit Card Number
  - d. Bank Account Number
  - e. Driver's License Number
  - f. Passport Number
4. Campus mail codes should be noted on all addresses when applicable.
5. Meals while on day travel (not overnight), must be for a business purpose in order to be reimbursed. (Please refer to Internal Revenue Service Code Sections 274 and 162.) Expenses must be substantiated as to (1) amount, (2) time and place, and (3) business purpose. The business relationship of any person(s) entertained must also be stated. The foundation follows the university's guidelines concerning one day travel.
6. The foundation generally follows the university's travel guidelines. The business purpose for all travel costs must be documented on the request for payment, and all expenses for a particular trip should be submitted together. Following are certain items that travelers should note:
  - a. The foundation requires that tax documents be submitted along with requests for travel reimbursements for individuals who are not employed by Virginia Tech (except for employment interviews). For US citizens, this tax documentation would be in the form of a completed W9 form. Since no W9 is required for reimbursements related to university employment interviews, the purpose of the travel reimbursement should be clearly indicated on the reimbursement request.
  - b. The foundation follows the university's guidelines concerning mileage rates. When traveling under 200 miles, the rate is 56 cents per mile (Effective January 1, 2021). When traveling over 200 miles, the rate is 45 cents per mile (Effective January 1, 2021). The foundation prefers that the traveler use a VT motor pool car when traveling. If a motor pool car is not available, the foundation will reimburse the traveler 56 cents per mile (Effective January 1, 2021). The motor pool confirmation must be attached stating that a car was not available.
  - c. The foundation will not reimburse the traveler for both mileage and fuel charges; the traveler must elect one method of reimbursement. When claiming fuel charges, original receipts are required for fuel reimbursement.
  - d. The foundation will not reimburse mileage within Montgomery County unless total mileage exceeds 50 miles per day.
  - e. When individuals receive an automobile allowance either from the foundation or the university, the mileage rate is reduced. The rate that can be claimed is \$0.185 per mile. It is the responsibility of the requestor to use the correct rate. If the incorrect rate is used on the request, the foundation will adjust accordingly.

- f. Airfare- Airfare charges must be at coach rates, no first class airfare charges are permitted. Reimbursements to travelers for airfare charges cannot be made before the trip for which the ticket was purchased occurs. Travelers who wish to have airfare charges prepaid must utilize the university's P-card or Travel Authorization process.
  - g. Parking/Taxi/Shuttle/Tolls- Travelers should submit original receipts for parking, taxi, shuttle, and toll charges to be reimbursed. If receipts are unavailable, the foundation may reimburse up to the IRS allowable limits for parking, taxi, shuttle, and tolls.
  - h. Meals- Business meals and personal meals while on travel status may be reimbursed by either the per diem method (using university approved rates) or actual costs substantiated by original itemized receipts. For personal meals, one method of reimbursement needs to be selected for the entire length of the travel (either actual costs or per diem). The two methods should not be combined within the same travel voucher. Business meals may be reimbursed based upon actual expenses incurred substantiated by original itemized receipts even if personal meals are being reimbursed based upon the applicable per diem.
  - i. For conference related travel, when meals are provided at no cost, the applicable M&IE per diem shall be reduced by the dollar amount shown for the applicable meal in the M&IE rate table. The conference agenda must be attached to the expense report when meals are not deducted from the per diem to document that there were no meals provided at no cost.
  - j. Lodging Charges- Lodging charges are reimbursed based on actual costs substantiated by original itemized receipts.
  - k. Business Phone Calls, Faxes and Internet Charges – The business purpose, name of parties involved and points between which the calls are made must be stated to document the business necessity of the expense.
7. The foundation automatically transfers ownership to the university of purchased assets valued at and above \$2,000. The only exception to this rule is computer equipment purchased regardless of amount will be copied to the University Fixed Assets & Inventory Services.
8. Enhancements, renovations, additions, or improvements to university owned or leased property must be approved in writing, in advance by the University Architect and/or Physical Plant. This includes but not limited to: services for planning, services for equipment, installation, the purchase and installation of major equipment (including refrigeration units not kitchen units) and window air conditioners. Approval for leased properties must be obtained from the University Real Estate Management Office. Approval for Athletic related properties must be obtained from the University's Executive Vice President. This also includes fence installation. Physical Plant needs to approve fence installation due to cited issues such as warranties, the possibilities of hitting underground wires/cables, proper installation, etc.
9. Foundation staff are responsible for assigning account codes for the disbursement; therefore, please leave this area on the *Request for Payment* form blank.
10. The foundation Accounting Office **must pre-approve** *VTF Purchase Orders* prior to using them for purchasing goods from vendors. A foundation officer must approve contractual agreements other than Purchase Orders and Express Purchase Orders. A *Request for Payment* form must accompany any *VTF Purchase Order* forms submitted to the foundation for payment of invoices.

11. An authorized user may not sign for his or her own reimbursement on foundation funds. While alternate signatures of review may be included, the signature of an authorized user is required for processing the payment. Signature stamps cannot be accepted. For audit purposes, there must be two independent individuals to handle the request (cannot prepare the request for payment and sign as the authorized user as well). When the individual is the only authorized user their supervisor may sign.
12. Contracts with university departments and an outside entity must be approved by Virginia Tech General Counsel (OGC) regardless of the funding (state or foundation funds). If the contract is in the name of the university, the Virginia Public Procurement Act applies and the OGC must review and approve the contract before submitting to the foundation for payment. When payment is submitted, a copy of the OGC approval must accompany the payment request. Any questions concerning contracts, please contact OGC of Virginia Tech at 231-6293.
13. When construction is to be done on university owned property, Physical Plant's pre-authorization/approval must be obtained before submitting payment request to the foundation. Approval must be obtained regardless of the fund. Please refer to University Policy 5405. If you have any questions please contact Physical Plant at 231-9900.
14. The purchase of certain equipment through the foundation is restricted. This equipment includes radioactive materials, radiation survey instruments, laboratory equipment, medical and dental equipment, refrigerators, freezers, fume hoods, biological safety cabinets, lasers, X-ray equipment, respirators, construction equipment, scaffolding, motor vehicle equipment, manufacturing equipment, forklifts, powered pallet jacks, pallet trucks, fork trucks, aerial lifts and mechanical power presses. All such purchases need to be pre-approved through Environmental Health and Safety Services (EHSS). This process assures that all equipment is registered with the State of Virginia and that all personnel that operate such devices are licensed and trained properly by the university. Before equipment is ordered, EHSS must give written approval to buy, and the university must have the pre-approval from EHSS. If you have any questions or concerns please contact an EHSS Co. Director at ext. 231-5364.
15. Foundation funds can be used for faculty and staff recruitment expenses under certain guidelines. This includes expenses incurred when bringing family members of final faculty/staff candidates to the university campus. IRS rules and regulations will be used to determine what allowances are made. In addition some such expense reimbursements are required by IRS regulations to be reported as income. The foundation will copy University Payroll on such reimbursements and they will determine whether the allowable expenses should be included on the individuals W-2 Form. This would only be allowable if the authorizing fund holder has monies in a fund that could be used for this purpose. Candidates not chosen will receive a 1099 from the foundation if required by IRS regulations.
16. Virginia Tech Services (University Bookstore and Volume II) charge slips are processed using the same policies and guidelines as any other payments processed by VTF. They are required to clearly state a business purpose for the purchase and have a contact person listed in case there are questions. There are also tax implications for certain purchases including gift certificates, gifts, prizes and awards. If these types of purchases are made, the department may be contacted and required to furnish information about the recipients which may include names, Banner ID numbers, Taxpayer ID numbers and addresses.

17. Continuing and professional education programs or university supported conferences/meetings in Blacksburg must make use of university or auxiliary enterprise facilities and services (e.g, the Inn at Virginia Tech and Skelton Conference Center, Owens Banquet Hall, and Personal Touch Catering) or, if the conference is located in Roanoke, at VT affiliated entities such as Hotel Roanoke and Conference Center (HRCC) or the Virginia Tech Roanoke Center. If these facilities are not available or not an appropriate venue for the function, a written waiver must be obtained from the General Manager at the Inn or the Director of Continuing Education. The waiver must be attached to the request for payment form.
  
18. Gift cards or gift certificates purchased using foundation funds represent taxable income to the recipient. In cases where the gift card or gift certificate is presented to an employee of Virginia Tech, the amount will be reported to the Virginia Tech Payroll Office. The department submitting the request for payment should include the recipients' names and Banner ID numbers. In cases where the gift card or gift certificate is for a student or other non-employee of Virginia Tech, the documentation submitted with the request for payment form should include a list of the names of the recipients and a completed W9 form (with SSN) from each recipient. Gift cards or gift certificates presented to students are reported to the Virginia Tech Financial Aid Office and can potentially reduce the amount of need-based financial aid for which the student is eligible. Foundation funds may not be used to purchase gift cards or gift certificates presented to non-US citizens.

The *Request for Payment* form must be used for most payment requests. Space is provided for up to two individual checks to be requested on a single form, as long as each payment is to be made from the same foundation fund. **Requests for payments to Treasurer, Virginia Tech, should be on a separate form from payments to other vendors.** The foundation also has Purchase Order forms available for use along with the *Request for Payment* form. Questions regarding these forms should be directed to the VTF Accounting Office staff at 231-2858. State Travel Reimbursement Voucher forms (*Travel and Meal Expense Voucher*) are also acceptable.

The following university forms cannot be processed by the foundation:

1. DOPP form
2. Purchase Order and Requisition for Purchase
3. Interdepartmental Service Request Forms (ISR's) Invoices from other university departments

For more information, see the **Purchasing** section.

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## REQUEST FOR PAYMENT FORM

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To make disbursements from foundation funds, certain information must be provided to the foundation. The necessary information should be noted on the *Request for Payment* form. All forms must include the following:

1. Foundation fund number to be charged
2. Signature of an authorized fund user
3. Vendor name/address and tax identification number if for an individual
4. Business purpose
5. Departmental contact person and phone number

If the above items are not clearly stated, the payment may be delayed and/or the payment request may not be honored. Representatives of the foundation accounting staff will notify the contact person listed if any discrepancies are identified. In instances where the business purpose is questionable, the department may be asked to provide further information in order to process the payment. To avoid such instances, it is important to provide as much information as possible so that the business purpose is clearly stated. Ultimately, the foundation has the authority to deny requests for payments that are not considered to be of a business nature.

The original *Request for Payment* is sent to the foundation Accounting Office, 902 Prices Fork Road, Suite 4500, Mail Code 0354. Questions regarding this form should be directed to the foundation accounting staff at 231-2858.

## C. Prohibited Expenditures

The foundation is a tax-exempt non-profit organization. Due to its recognition by the Internal Revenue Service as a non-profit organization, the foundation has certain fiduciary responsibilities related to gifts it receives and manages on behalf of the university. In order to ensure that the foundation operates within this framework, certain expenditures will be prohibited. **The following list is NOT all-inclusive.**

1. **Student Loans and Awards** – Requests for student loans must be handled through the University’s Office of Scholarships and Financial Aid. Per OSFA, any awards to students must be handled through the VTF Award Letter and processed by OSFA.
2. **Parking Permits, Tickets, Kennel, Baby Sitting, Laundry Charges, Motel Videos, Personal Phone Calls, Insurance Expense and Tux Rentals** – Due to the personal nature of these expenditures, they are prohibited. However, reasonable laundry charges are permitted if the traveler is staying more than 6 days. Phone charges incurred while traveling are calculated as incidental expense and are reimbursed within the M&IE rate.
3. **Salaries/Wages** – Wages and/or salaries must be handled through the university payroll system. Payments made to university employees, regardless of their employment status, for honorariums or independent services, are prohibited. Honorarium payments to non-resident aliens are handled through the University Controller’s Office.
4. **Tuition** – Tuition cannot be paid directly to a student, rather it must be paid to the university. The VTF Scholarship/Award Letter form must be used. SCHEV awards cannot be processed through the foundation.
5. **Textbooks/Manuals/Text Materials** – The University Bookstore has been officially designated and assigned the responsibility of providing textbooks and related teaching supplies for the university community. VTF fund holders cannot engage in the direct sale of instructional materials to students. The foundation will not honor any requests for payments or reimbursements for expenditures related to textbooks and/or other instructional materials relating to such sales.
6. **Travel Loans** – Since the university has established its own corporate travel card and travel loan programs, the use of foundation funds for travel loans is prohibited.
7. **First Class Airfare** – Airfare charges should be at coach rates. No first class airfare charges are permitted.

8. **Automobile Rental for Travel** – Generally, automobiles cannot be rented for trips originating in Blacksburg unless Motor Pool does not have a vehicle available or the department can save at least \$25 by renting a vehicle from another source. Car rental services are now available through a contract between the university and Enterprise. The contract provides university employees with an unlimited mileage rate. Travelers must attach a Motor Pool Confirmation statement that a car was not available or a cost comparison statement to any reimbursement or payment request. Automobile rental is acceptable for travelers who fly and need transportation while at their destination. Please refer to University Policy 20334 (Travel Procedures) for more information.
9. **Automobile Rental Insurance** – Insurance obtained from an automobile rental agency is considered a personal expense and cannot be reimbursed to a traveler.
10. **Gifts and Awards to University Personnel** – Gifts of cash (including checks), to university personnel are prohibited, unless they are for university approved employee service awards. The value of some awards is not considered taxable income to the individual; however, the foundation will forward information regarding any award to the University Controller’s Office for income tax consideration. Please contact the Payroll Manager at 231-9329 if you have any questions in this matter.
11. **Payments to Foreign Vendors or Non-Resident Aliens** – The Virginia Tech Foundation cannot directly pay a foreign vendor or non-resident alien. The payee must be a U.S. company or citizen. If a department wants to use foundation funds to pay a foreign vendor or non-resident alien, the funds must be transferred to a university/state account for payment.
12. **Petty Cash** – Petty Cash accounts cannot be funded by foundation monies.
13. **Donations** – Donations to outside organizations are strictly prohibited. Foundation funds are restricted as designated by donors to support the university.
14. **Personal Expenses** – Generally, no reimbursements are allowed for expenditures of a personal nature. The IRS guidelines of “reasonable and necessary business expenses” are utilized in all cases for determination of appropriate reimbursements.
15. **Personal Cell Phones** – The foundation follows the university policy on cell phones. This policy requires that all personal calls be reimbursed by the user.
16. **Late Fees/Finance Charges** – The foundation does not pay late fees or finance charges. Departments are expected to process requests for payment in a timely manner to avoid the assessment of such charges.
17. **Items for Resale** – The foundation’s tax exempt purpose is to support the research, education and outreach mission of Virginia Tech. The resale of purchased or donated tangible items is not in keeping with this purpose. Because of this inconsistency with our purpose as well as business licensing, sales and unrelated business income tax and product liability issues, the foundation disallows the purchase of tangible items for resale to donors/employees/others for fundraising or other purposes.

18. **Political Activity** - The Virginia Tech Foundation does not engage in political activity nor does it permit its resources to be used in any way to support political activity pursuant to the Internal Revenue Code. Under the Internal Revenue Code, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes. Examples of political activity include making campaign contributions or paying to attend fundraisers for candidates.
19. **Expenses for Repair or Replacement of Damaged, Lost or Stolen Personal Property** – The Virginia Tech Foundation will not pay to replace or repair personal property if damaged, lost or stolen, even if the employee was conducting university/foundation business at the time of the loss or damage. Personal property includes but is not limited to personal vehicles, cell phones and computers. Employees should make claims to their own personal insurance for such repair or replacement, and note that the foundation does not pay personal insurance deductibles.
20. **Student Organizations** – Due to the lack of direct relationship with the university, the foundation is unable to make disbursements to or on behalf of RSO or ECSO student organizations as doing so would jeopardize the foundation’s tax exempt status.
21. **Proprietary Technology, Restricted Use Items, Export Control** – Items containing proprietary technology, items which have restrictions on their use and disposition and items subject to export control regulations may not be purchased through the Virginia Tech Foundation.

## D. Scholarships and Awards

In order to properly award financial aid, fund holders should be familiar with the selection criteria for awarding scholarships as stated in the restrictions of the scholarship agreement. If a copy of the documentation for the scholarship or award is needed, it can be obtained by contacting the University Office of Scholarships and Financial Aid (OSFA) at 231-5179.

Scholarships from funds not earning endowment income are paid only when the cash balance of the fund is sufficient to cover the payment. Scholarships that are to be paid from funds earning endowment income may be paid if there will be sufficient income earned in the current fiscal year to cover the payment. Should the income be insufficient to cover the deficit balance, the department will be notified to provide an alternative funding source. Scholarship and award payments cannot be made directly to an individual student from the foundation. Before scholarship payments are processed, there must be a VTF Scholarship Award Letter on file with the OSFA. The VTF Scholarship Award Letter includes a certification by the fund holder that the recipient of the award **fully meets the scholarship's stated criteria**.

Award letters for Fall Semester should be delivered to the Office of Scholarship and Financial Aid by July 1, in order to be properly credited to the student's account. For Spring Semester the award letters should be delivered to the Office of Scholarship and Financial Aid by December 1.

If the semester terms are not stated in the letter, the OSFA will assume the scholarship is for both fall and spring semesters and will split the scholarship equally between the two semesters.

The award will not be applied to a student's account unless the authorized user of the foundation fund signs the letter and cash is available to cover the award. The authorized user's signature certifies that the selection criteria established for the award has been considered and that the recipient student(s) meets all selection criteria.

Graduation awards should also be processed on the VTF Scholarship Award Letter Form. Any excess funds will be directly deposited to the student's account unless otherwise specified.

Please note that a separate form is **not required** by OSFA to award any SCHEV Matching Funds. OSFA has the ability to determine if the fund is SCHEV Matching.

The original Scholarship Award Letter should be sent to the Office of Scholarships and Financial Aid located at 200 Student Services Building, Mail Code 0222. A copy of the award letter should be sent to Student Accounts for stipends only. **Copies for foundation accounting are no longer needed.**

Award Letter Forms can be [downloaded](#) or obtained by contacting OSFA. The Scholarship Form/Award Letter may be photocopied.

**\*\*\*Endowment fund numbers should never be referenced on a scholarship award letter or a request for payment. The corresponding income fund for the endowment is used to pay all expenditures and should be used when submitting both forms.**

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## SCHOLARSHIP AWARD LETTER

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The Scholarship Award Letter must provide certain information to be processed. Multiple students can be listed on the form if the scholarship is being funded by the same foundation fund for each student. It is important to include the following information on the request for payment.

1. Foundation fund number
2. Scholarship name
3. Signature of authorized foundation fund user verifying that the award recipient fully meets the scholarship requirements.
4. Name(s) and identification number(s) of student(s) receiving the scholarship
5. Amount of scholarship awarded to the student(s)

### E. Sponsored Programs

The Office of Sponsored Programs (OSP) is the university department that administers research expenditures made by the university. Foundation funds are often used to support many of these research projects.

To establish a new Sponsored Programs fund, complete and send an Attachment A Form to the Office of Sponsored Programs. OSP will assign a new fund number.

To add monies to an existing Sponsored Programs fund, submit a completed Request for Payment to the foundation. The foundation will process payment for the new allotment to the existing Sponsored Programs Fund. The Request for Payment should include a note with the OSP fund number to be credited as well as the amount which is related to Salaries, Wages and Fringes, and the amount related to all other expenditures.

**\*\*\* For additional information contact OSP at 231-5281.**

## F. Transfers to State Accounts

Transfer of foundation funds to a university account can be requested by completing a *Request for Payment* form, payable to *Treasurer, VA Tech*. A printed copy of a CASHNet deposit, complete with university account, sub-code, and amount must be attached. Consistent with other payment requests, the business purpose or use of funds must be documented to ensure that donor restrictions are met and that the expenditures are assigned an appropriate account. These requests should be made on a form separate from payments to other vendors.

## G. Industrial Affiliate Fees and Programs

An Industrial Affiliate Program is a membership program which affiliates support with a program of research in a field of study. The university establishes the policies governing the establishment of Industrial Affiliate programs, and related procedures are outlined in OVPR-01-03: Establishment and Operation of Industrial Affiliates Programs in Support of Research at Virginia Tech. Please refer to this procedure for additional information.

Once the affiliate program has been approved by the Vice President for Research a new foundation fund must be established.

Fee Deposits should initially be sent to Virginia Tech Foundation Accounting to record the “other income” (20% or approved %) component of the deposit. To ensure appropriate treatment of IAP member fees, all of the following documents must be sent to Virginia Tech Foundation Accounting with each IAP member fee deposit:

- The check being deposited
- Virginia Tech Foundation Other Income Deposit Form (to deposit 100% of the fee)
- Request for Payment form authorizing transfer of 80% (or approved %) to the University fund, signed by an authorized user of the foundation fund.

## IV. RECEIPTS

### A. General Receipts Information

The foundation receives monies, primarily donations, in support of Virginia Tech in accordance with the policy established by the Board of Visitors. The two primary sources of revenue into the foundation are gifts and other income.

Under the direction of the Vice President for Development and University Relations, the Office of University Development is responsible for planning, organizing and conducting programs to obtain private gift support in accordance with university policies. All fundraising activities must be coordinated with the Office of University Development. The foundation does not accept raffle proceeds as raffles are not considered a University Development approved fund raising activity.

### B. Donations

A Gift is defined as any money or assets from private sources, whether solicited directly or indirectly, for which the donor does not retain any reversionary interest or cannot be expected to receive any material deliverable from the act of donating funds. This definition follows the guidelines established by the Internal Revenue Service as well as practices of other universities and non-profit organizations. To assist in implementation of this policy, a further definition of each of the key elements follows.

The key definition here is for the term “**deliverable**”. A deliverable is defined as a tangible product or service resulting directly from the use of funds transferred to the foundation or university for which the original payer of the funds will receive a material, tangible benefit to which they would not otherwise be entitled. If the transfer of these funds would result in the payer deriving a unique or preferential benefit, the funds cannot be treated as a gift. A benefit would be defined as being “**unique**” if the payer were allowed to receive the benefit prior to the benefit being made publicly available. Examples would include first or initial rights to specific research findings, inventions, reports, etc. before this information was made available to the general public.

The requirement of a payer that he/she receive reports outlining the expenditure of the funds given would not preclude the funds from being defined as a gift, as this is a common practice of many large charities. Further, restrictions placed on the use of the funds by the payer would not preclude the funds from being treated as a gift, as this is also a very common practice. Finally, funds could be restricted by the payer for any purpose, including areas of research. Restrictions of funds to particular areas of research would not preclude the funds from being treated as gifts, as long as the remaining criteria in the gift definition were met. Further support for this concept is found with the AICPA, FASB, NACUBO, Auditor of Public Accounts and the Internal Revenue Service, all of whom accept the concept of restricted giving, including restrictions to specific research programs. The specific policy outlining the definition of private funds can be found on the University’s Administrative Policies and is policy number 3630, which can be accessed at <http://www.policies.vt.edu/3630.pdf>.

Donations should be sent to the University Gift Accounting Office located at 902 Prices Fork Road, Mail Code 0336. Gifts are entered into the donor database and reports are generated which notifies the

respective department of all gifts. A *Gift Transmittal Form* should be completed and be sent with the monies. Gift Transmittal Forms can be obtained from the University Development Office.

The donor determines the use of the monies. If a new foundation fund needs to be established, the receiving department must complete a *VTF New/Change Fund Form* and indicate the authorized user(s) of the fund to be established.

## C. Other Income

The foundation was established to receive, manage and disburse private gifts in support of University Programs. As a support entity of the university, the foundation must comply with certain applicable federal, state and university regulations to protect the donor's tax exemption. To comply with these regulations, the university and foundation have established procedures that govern the receipt of funds by the foundation. University Administration Policy number 3630, entitled "Definition of Private Funds", governs funds deposited into the foundation. All disbursements made by the foundation on behalf of the university or any other entity are presently taxable.

Other income is sent to the foundation Accounting Office, located at 902 Prices Fork Road, Suite 4400, Mail Code 0172, along with a completed *Other Income Deposit Form* and any necessary supporting documentation. The fund holder should retain a copy for reference.

If goods or services are purchased from Virginia Tech Foundation, Inc. by a University Department and processed through Virginia Tech Foundation, Inc.'s eVA account, the associated eVA fees will be passed through to the foundation account that received the other income deposit.

The following is a list of types of deposits that **cannot** be accepted in a foundation fund:

1. Revenues from sales of services or products
2. Deposits from conferences, workshops, symposiums or other continuing education events
3. Funds related to memberships in organizations
4. Funds for performances or concerts
5. Reimbursement for expenses incurred from university sources
6. Honorariums
7. Tuition/Fees
8. Unrolled coins
9. Royalty payments (unless the foundation is contractually obligated)
10. Unsigned deposits that do not include a department contact name and phone number
11. Departmental portion of VTIP royalty payments generated from the licensing of intellectual property
12. Payments designated for/to benefit Registered Student Organizations (RSO) and Extended Campus Student Organizations (ECSO).
13. Raffle proceeds, as they are not considered a University Development approved fund raising activity.

University procedures require that deposits, including reimbursements for sales or services rendered by university employees, or from the use of university resources, be deposited into a university account.

Deposits of cash and checks should not be combined on the same Other Income Deposit form. They should be submitted separately using one Other Income Deposit form for the cash and another for the checks. Any cash deposits must be hand delivered to the foundation offices.

Funds that represent donations should be forwarded to Gift Accounting at 902 Prices Fork Road, Mail Code 0336. (The Other Income Deposit Form is **NOT** to be used for donations). For questions about gift deposits, please call University Advancement Gift Accounting

Questions concerning other income deposits to foundation funds should be directed to the foundation Business Office at 231-2861.

**Do not send deposits of any kind to the foundation's Accounting Office.**

## OTHER INCOME DEPOSIT FORM

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The *Other Income Deposit Form* is used to transmit all deposits, other than gifts, to the Foundation Accounting Office. **Cash deposits must be done on a separate Other Income Deposit Form and hand carried to 902 Prices Fork Road, Suite 4500, in the Foundation Accounting Office.** The depositor will be issued a receipt. Checks are accepted through campus mail – Mail Code 0172. To ensure funds are properly credited, the *Other Income Deposit Form* must accompany the deposit. The main components of the form are as follows:

1. Foundation fund number and fund name to which monies will be deposited
2. Amount of the deposit
3. Source and purpose of the funds/deposit
4. Departmental contact person's signature, printed name, phone number, and mail code
5. Necessary supporting backup documentation, showing the purpose of the deposit
6. **Effective June 1, 2016, the Foundation will require that all cash deposits be entered on a separate deposit form**

### D. Wire Receipts

Before receiving funds electronically the department must contact the Program Support Tech in the Reporting Department at the foundation at 231-2868 to obtain the appropriate wiring instructions. The wiring instructions will include the appropriate banking information. The department will need to give notice to the above Program Support Tech of the wire amount, originator, foundation fund, foundation fund name and contact information for the department. The department must also provide information/documentation of the nature and use of funds prior to funds being wired into foundation's bank account.

### E. Gifts-In-Kind

In-kind gifts are non-monetary gifts received, which may include equipment, livestock, tools, software, paintings, furniture and any other items that could be deemed to have value. The *Gifts-In-Kind Transmittal Form*, which is available online, is used to record these gifts. This recordation will assure that all university and foundation assets are properly accounted for and insured.

It is suggested that each department maintain a file of in-kind gifts received. Upon receipt of an in-kind gift, the transmittal form should be promptly completed and sent to Gift Accounting at 902 Prices Fork Road, Mail Code 0336. The department receiving the gift should retain a copy of the transmittal form. It is important that the form be completed in its entirety. Copies of any correspondence related to the gift must accompany the transmittal form.

The donor may need an IRS Form 8283 to receive a tax deduction for gifts greater than \$250. These forms, along with copies of the IRS instructions, may be obtained from Gift Accounting. The IRS Form 8283 is completed by the donor and should be attached to the *Gifts-In-Kind Transmittal Form*. If a donor forwards a completed IRS Form 8283 after the transmittal form has been submitted to Gift Accounting, the IRS Form 8283 should be forwarded directly to the foundation Accounting Office.

As charitable contributions in support of the university are received by the foundation, **all donor requests for acknowledgement on an IRS Form 8283 must be signed by the foundation Controller, or his or her designee, prior to the form being returned to the donor.** The department and/or development officer should coordinate this process with the donor. An IRS Form 8283 cannot be provided to a donor until the proper gift documentation has been received and entered into the donor database to ensure that the foundation complies with IRS requirement.

Upon receipt of the transmittal form in Gift Accounting, the gift is entered into the donor database. The original transmittal form is then forwarded to the foundation Accounting Office. Unless otherwise agreed to at the time of receipt, all in-kind gifts will be entered on the books of the foundation, and **title will immediately be transferred to the university, where the gift will be entered into property records. Gifts of fine art, antiques and livestock will not be transferred to the university, as a matter of policy.**

There are certain IRS regulations and reporting requirements for vehicle donation. Please contact VTF Fixed Assets Accounting at 231-2742 for assistance prior to acceptance of any vehicles to assure compliance with IRS rules.

**Only** officers of the foundation are authorized to sign contracts, licensing agreements, or other contractual documents pertaining to gifts made to the foundation. Care should be exercised in the review and signing of any receipts or shipping reports for in-kind gifts to assure compliance. Questions concerning these procedures may be directed to the University Development Office or the foundation Accounting Office.

## V. ACCOUNTS

### A. Account Codes

Foundation accounting personnel assign accounts for disbursements and receipts (unless previous arrangements have been made with the submitting department).

In many cases the foundation account structure parallels that of the university, although specific differences do exist.

## VI. REQUEST FOR FUNDS TRANSFER (JOURNAL ENTRY)

### A. General Journal Entry Information

Transfers/journal entries are used for corrections and inter-fund transfers. A transfer is similar to a disbursement in that the cash can only be transferred if the reason for the transfer falls within the scope of the restrictions on the foundation fund. Only an authorized user of the fund is allowed to approve transfers.

### B. Request for Funds Transfer Form

The *Request for Funds Transfer* form is to be used any time monies are transferred from one foundation fund to another. The fund number and name for both funds must be listed. The reason for the transfer must be clearly stated. An authorized user of the fund from which the monies are being transferred must sign the form. The authorized user who has signed the form cannot be the person who is listed as the contact person. The authorized user and the contact person must be two different individuals. Any supporting documentation should be attached to the form.

A *Request for Funds Transfer* form is internal to the foundation and **CANNOT** be used to transfer funds to the university. For transfer of monies from a foundation fund to a university fund, see section III, item G for disbursement procedures.

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### REQUEST FOR FUNDS TRANSFER FORM

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The foundation requires certain information in order to transfer cash from one foundation fund to another foundation fund. The following must be indicated on the form:

1. Foundation fund FROM which monies are to be transferred
2. Foundation fund TO which monies are to be transferred
3. Dollar amount to be transferred
4. Reason for transfer
5. Authorized User's signature for the fund that cash is to be transferred FROM

Any questions regarding the form should be directed to the foundation Accounting Office at 231-2858. A downloadable version of this form is also available.

## VII. FOUNDATION FUNDS

### A. Establishing or Closing Funds

A new foundation fund is needed when a donor, or group of donors, gives money for a purpose for which a fund is not already established in the foundation. The donor sets the restrictions, but it is up to the receiving department to determine the authorized users and inquiry users for the funds. A foundation fund may need to be closed when the purpose or project for which it was established no longer exists and the fund balance is zero.

#### RSO Policy

Registered Student Organizations (RSO) and Extended Campus Student Organizations (ECSO) are defined by university policy (#8010) as “voluntary associations of Virginia Tech Students that have no direct relationship to the university.” Due to this lack of direct relationship with the university, the foundation is unable to hold accounts, accept contributions or make disbursements to or on behalf of RSO or ECSO organizations as doing so would jeopardize the foundation’s tax exempt status. To determine the status of a student organization, please use this searchable database maintained by Student Affairs: [https://banweb.banner.vt.edu/ssb/prod/hzsksg.P DispStuOrgs](https://banweb.banner.vt.edu/ssb/prod/hzsksg.PDispStuOrgs). Questions should be directed to VTF Accounting.

### B. New/Change Fund Request Form

The foundation *New/Change Fund Form* is used for all requests to establish and/or change a foundation fund. A request to establish a new fund must be signed by the applicable department head or college dean. A request to change an existing fund must be signed by a current authorized user of that fund.

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#### NEW/CHANGE FUND FORM

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By completing the foundation *New/Change Fund Form*, the necessary information is communicated to the foundation. The following information is required:

1. Fund number to be CHANGED (New funds will be assigned a number by the foundation)
2. Fund name or requested name for a new fund
3. College or division that the fund supports
4. Department name and number that the fund supports
5. Source and Use of monies for new funds
6. Reason for changing funds
7. Authorized User’s name(s) and signature(s) and BANNER ID (if inquiry capabilities are needed). Authorized users should be at the appropriate organizational level, and should

not be individuals who reconcile department funds. Consistent with university policy, it is recommended that authorized users be at pay band 4 or above.

8. Inquiry User's name(s) and BANNER ID

The dean's or department head's signature is required for the establishment of new funds.

A current Authorized User's signature is required for changes to existing funds.

Questions regarding this form can be addressed to the foundation Accounting Office at 231-9736. A downloadable version of this form is also available.

## C. Terminate Fund Request Form

The *Terminate Fund Request Form* is used for all requests to terminate a foundation fund.

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### TERMINATE FUND REQUEST FORM

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To close a fund, a *Fund Termination and Transfer Form* should be completed. The following information is necessary to process such requests:

1. Fund number and name to be closed
2. Fund number and name to which any remaining cash should be transferred or new funds deposited
3. Reason for the fund being closed
4. Fund's Authorized User's signature

Questions regarding this form can be addressed to the foundation Accounting Office at 231-9736. A downloadable version of this form is also available.

## D. Foundation Fund Holder Responsibilities

Foundation funds should be reconciled monthly, and reviewed by the department head or senior administrator as appropriate. VTF Banner access is available to all authorized users and inquiry users so that funds may be monitored. Refer to Section IX for information regarding various web reports that are available on the data warehouse to assist with review and monitoring of funds.

When endowed funds are established, the authorized users of the fund are provided with a copy of the fund agreement. This agreement details the donor intentions for the disbursement of the payout generated by the endowment. It is the responsibility of the authorized users to ensure that the payout from the endowment is used (disbursed or reinvested) in accordance with donor intent.

Also, the Zero Balance Report is sent out yearly in July to aid in reviewing inactive funds that may require termination.

There is a yearly authorized signature report distributed to each department to verify the current users are appropriate. This report is sent out yearly in September and the original is due back by October 15 each year.

Generally, any asset valued at \$2,000 or more that is purchased with VTF funds (or donated to VTF) will be transferred to the university and included in the departmental fixed asset inventory. The following exceptions apply:

**Computer Equipment:** All computer equipment, regardless of value, will be transferred to the university and included in the university departmental fixed asset listing.

**Livestock:** All livestock, regardless of value, will be tagged as VTF assets and remain on the VTF asset inventory listings.

**Vintage and Collectible Property** – Certain donated and purchased goods are classified as “Vintage and Collectible Property”. These items include artwork, antique furnishings and clothing, history books, gemstones and minerals, and the “museum” type articles. These items are tagged as VTF assets.

For any assets that are tagged as VTF assets, the custodian of the asset must notify VTF Accounting of the following circumstances.

1. If the asset is being transferred to another location or department the custodian must complete the Asset Transfer Report and forward the completed form to VTF Accounting within one week of the asset being transferred. This will allow VTF to have the correct information for inventory purposes.
2. If the asset is being disposed of or sold, the custodian must complete the Asset Disposal Form and forward the completed form to VTF Accounting within one week of the disposal. This will allow VTF to remove the asset from the database and Banner in a timely manner.

Semiannually, VTF Accounting will send an inventory listing to each custodian. The custodian is responsible for performing the inventory verification and for notifying VTF Accounting immediately with any discrepancies. Also, on a rotating basis a physical inventory will be conducted. VTF strives to maintain the most accurate and up to date fixed asset listing possible, and custodians are expected to assist as needed.

## VIII. PURCHASING

### A. General Purchasing Information

The foundation strongly encourages all foundation fund holders to utilize the State Purchasing System. This will assure that proper procurement practices have been followed and provide for the most cost-effective use of available funds. The foundation does not have the ability to issue and monitor requests for competitive proposals.

The foundation also has purchase orders available for use by departments through the foundation Accounting Office. The foundation Disbursements Manager **must** sign all purchase orders prior to the distribution to the vendor.

For further information on disbursement procedures, see section III.

### B. Credit Applications

Credit accounts cannot be established using foundation funds, therefore the foundation will not complete credit applications for vendors. The foundation will provide credit references upon request – please contact VTF Accounting at 231-2858.

## IX. REPORTING

### A. Foundation Finance Web Reports

The foundation manages a group of web accessible reports that are available at <https://webapps.es.vt.edu/webreport/submit> or under the 'Finance Web Reports' link at <http://reports.vt.edu>.

Normal hours of operation for the data warehouse and, consequently, web reports, are 7:30 am through 11:30 pm. Login is allowed only during the warehouse hours of operation. Users may generate reports in accordance with their VTF Banner Fund and Organization level security. Below is a brief description of some of the more commonly used reports currently available to users through the IWA reporting web site. Due to the timing of certain month/quarter/year end entries, users are advised to wait at least 10 days after the close of the month to run reports. (Note: Final balances may be different due to subsequent transaction processing).

**Note:** Each of the following reports will have an option to generate a text file containing the report data. The text file will be in a tab-delimited format that can be viewed and manipulated in spreadsheet applications.

#### **VTF Endowment Income Cash Balance**

Lists endowment's income funds and their associated cash balances. The user can choose to produce either a summary or detail report for a specified organization level (Sr. Mgmt, Mgmt, Department, or Organization). The report can include, exclude, or be limited to only operating funds, as well as indicate whether to include scholarships, professorship, or other funds. The report can be further restricted by supplying a dollar value limit. You may also include the corresponding endowment fund in the report.

#### **VTF Fund Balance Summary**

Lists all fund balances by category (Endowment, Income, or Other) for a specified organization level (Sr. Mgmt, Mgmt, Department, or Organization). The report can also generate fund code detail information.

#### **VTF Fund Cash Balance**

Lists funds and their cash balances for a specified organization level (Sr. Mgmt, Mgmt, Department, or Organization). The report can be further restricted by supplying one or more fund or program codes. The option of including funds with a zero cash balance is also available.

#### **VTF Fund Information**

Lists funds and their authorized user(s) and purpose for a specified organization level (Sr. Mgmt, Mgmt, Department, Organization). The report can be further restricted by supplying one or more fund or program codes.

**VTF Funds with Zero Expenditures**

Lists funds that have a cash balance but no expenditures paid out to date. This report can be limited to report on only endowment income and to include/exclude professorship, scholarship, and other funds. Fund balance reflects the net balance of all General ledger (assets and liabilities) accounts; therefore, it does not always represent the available cash balance.

**VTF General Ledger Balances and Transactions**

Lists general ledger (GL) account balances by fund for a specified organization level (Sr. Mgmt, Mgmt, Department, or Organization). The report can be restricted by supplying one or more fund codes and/or a general ledger account code and may include detail transactions. An additional summary by organization report can also be generated. Data reported is equivalent to VTF Banner forms FGITBSR and FGIGLAC.

**VTF Operating Ledger Balances and Transactions**

Lists revenue and expenses operating ledger (OL) account balances by fund for a specified organization level (Sr. Mgmt, Mgmt, Department, or Organization). The report can be restricted by supplying one or more fund codes and/or an operating ledger account code and may include detail transactions. An additional summary by organization report can also be generated. Data reported is equivalent to foundation Banner forms FGIBDST and FGITRND.

**VTF Scholarships Information**

Lists beginning cash, endowment income, other income, USFA expenses, other expenditures and ending cash balances as of a certain date for a specified org level (Sr. Mgmt, Mgmt, Department, or Org). The report may be restricted to awardable, hard to award, and multiple use.

**VTF Total Gifts Summary**

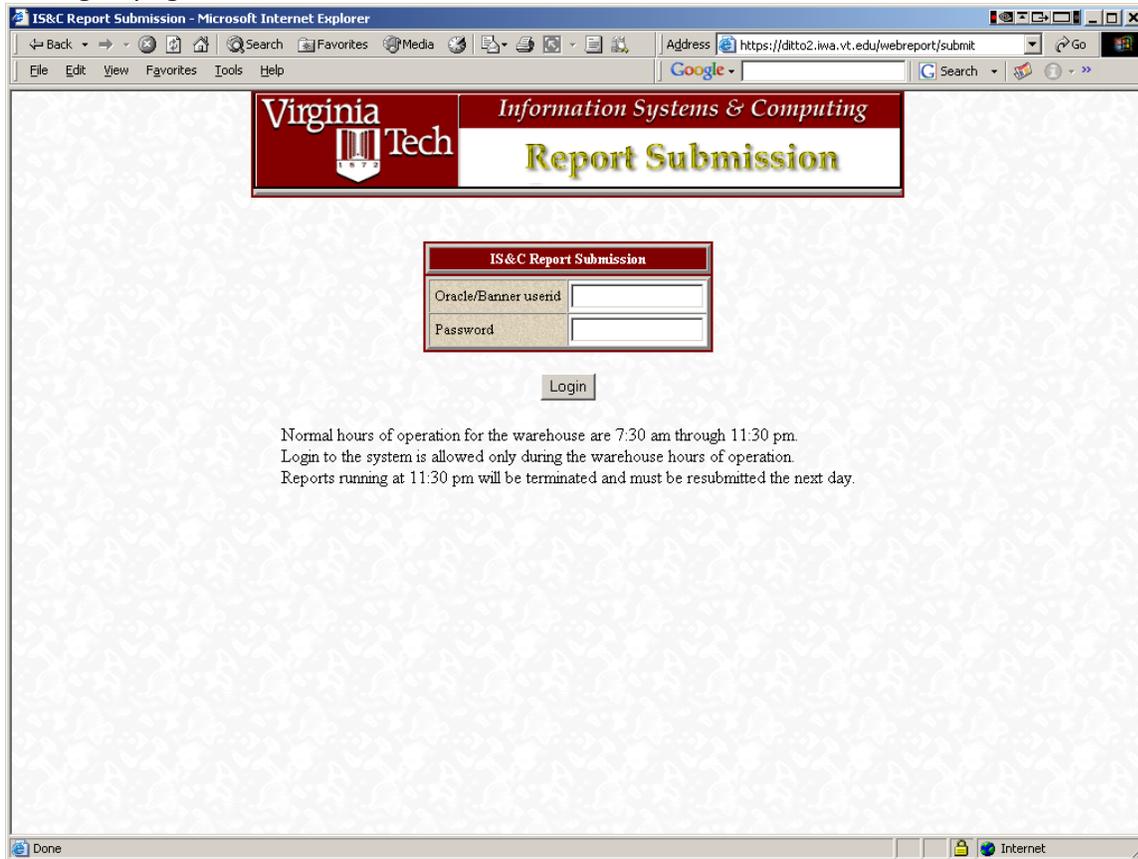
Lists a summary of gifts for a specified period of time and organization level (Sr. Mgmt, Mgmt, Department, or Organization). The report can be restricted by supplying one or more fund codes and/or a contribution account code and may include an account and/or fund code listing. The option to sort by account or fund is also available.

## B. Using Web Reports

The Finance Web Reporting system allows users to run and distribute financial reports over the web using a menu driven system.

Finance Web Reporting is available at <https://webapps.es.vt.edu/webreport/submit> or under the Finance Web Reports' link at <http://reports.vt.edu>.

The logon page is shown below:

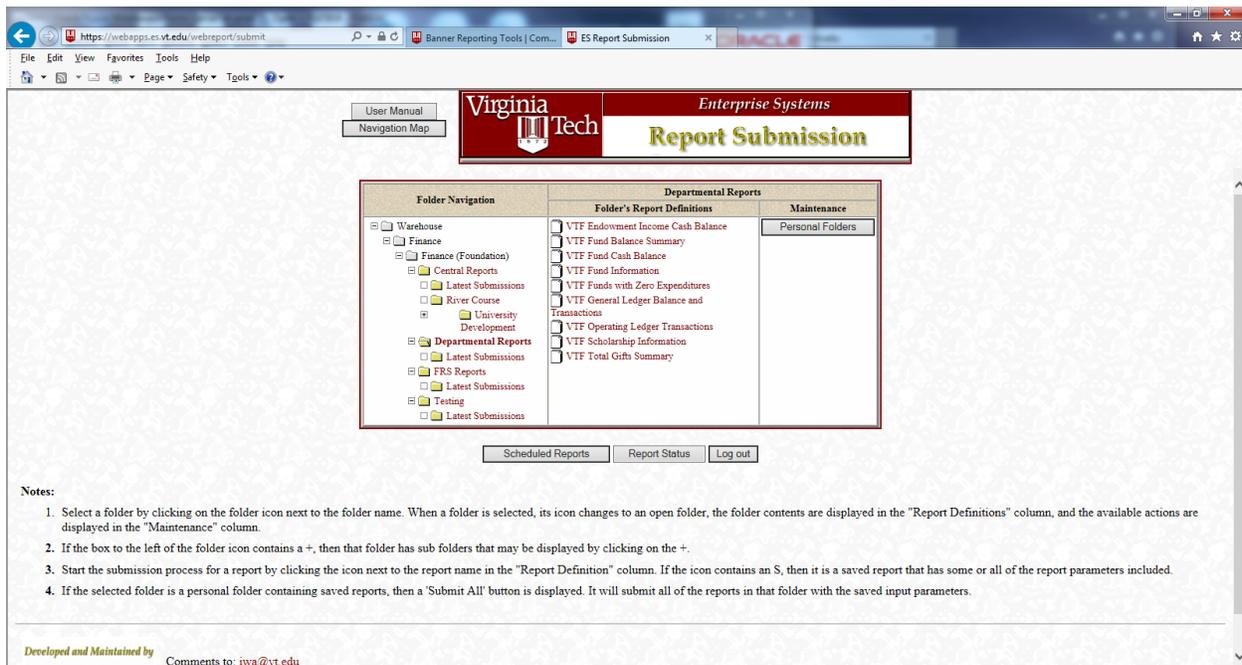


## LOGIN PROCEDURES

To login to the Finance Web Reports from this web page:

1. Place the cursor in the Oracle/Banner userid box and enter the Oracle ID used to access Banner.
2. Tab to or place the cursor in the Password box and enter the Oracle Password used to access Banner.
3. Then click on the Login button.

**Note:** If access is denied (i.e. and invalid ID or password was typed), a message appears on the window that reads authentication failed. Place the cursor in the userid box and try again. If login continues to fail, reset your **University** Banner password. This will reset your **VTF** Banner password and your Web Reporting password. If you do not have a University Banner account, contact 4Help (4-4357) and request your VTF Banner password be reset.



The screenshot shows a web browser window with the URL <https://webapps.es.vt.edu/webreport/submit>. The page title is "Enterprise Systems Report Submission". The interface includes a navigation menu with "User Manual" and "Navigation Map". A main content area is divided into three columns: "Folder Navigation", "Departmental Reports", and "Maintenance".

Folder Navigation	Departmental Reports	Maintenance
<ul style="list-style-type: none"> <li>[-] Warehouse</li> <li>[-] Finance <ul style="list-style-type: none"> <li>[-] Finance (Foundation) <ul style="list-style-type: none"> <li>[-] Central Reports <ul style="list-style-type: none"> <li>[-] Latest Submissions</li> <li>[-] River Course</li> <li>[-] University Development <ul style="list-style-type: none"> <li>[-] Departmental Reports <ul style="list-style-type: none"> <li>[-] Latest Submissions</li> <li>[-] FRS Reports <ul style="list-style-type: none"> <li>[-] Latest Submissions</li> <li>[-] Testing <ul style="list-style-type: none"> <li>[-] Latest Submissions</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> VTF Endowment Income Cash Balance</li> <li><input type="checkbox"/> VTF Fund Balance Summary</li> <li><input type="checkbox"/> VTF Fund Cash Balance</li> <li><input type="checkbox"/> VTF Fund Information</li> <li><input type="checkbox"/> VTF Funds with Zero Expenditures</li> <li><input type="checkbox"/> VTF General Ledger Balance and Transactions</li> <li><input type="checkbox"/> VTF Operating Ledger Transactions</li> <li><input type="checkbox"/> VTF Scholarship Information</li> <li><input type="checkbox"/> VTF Total Gifts Summary</li> </ul>	<ul style="list-style-type: none"> <li>Personal Folders</li> </ul>

Below the table are buttons for "Scheduled Reports", "Report Status", and "Log out".

**Notes:**

1. Select a folder by clicking on the folder icon next to the folder name. When a folder is selected, its icon changes to an open folder, the folder contents are displayed in the "Report Definitions" column, and the available actions are displayed in the "Maintenance" column.
2. If the box to the left of the folder icon contains a +, then that folder has sub folders that may be displayed by clicking on the +.
3. Start the submission process for a report by clicking the icon next to the report name in the "Report Definition" column. If the icon contains an S, then it is a saved report that has some or all of the report parameters included.
4. If the selected folder is a personal folder containing saved reports, then a 'Submit All' button is displayed. It will submit all of the reports in that folder with the saved input parameters.

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## FOLDER NAVIGATION

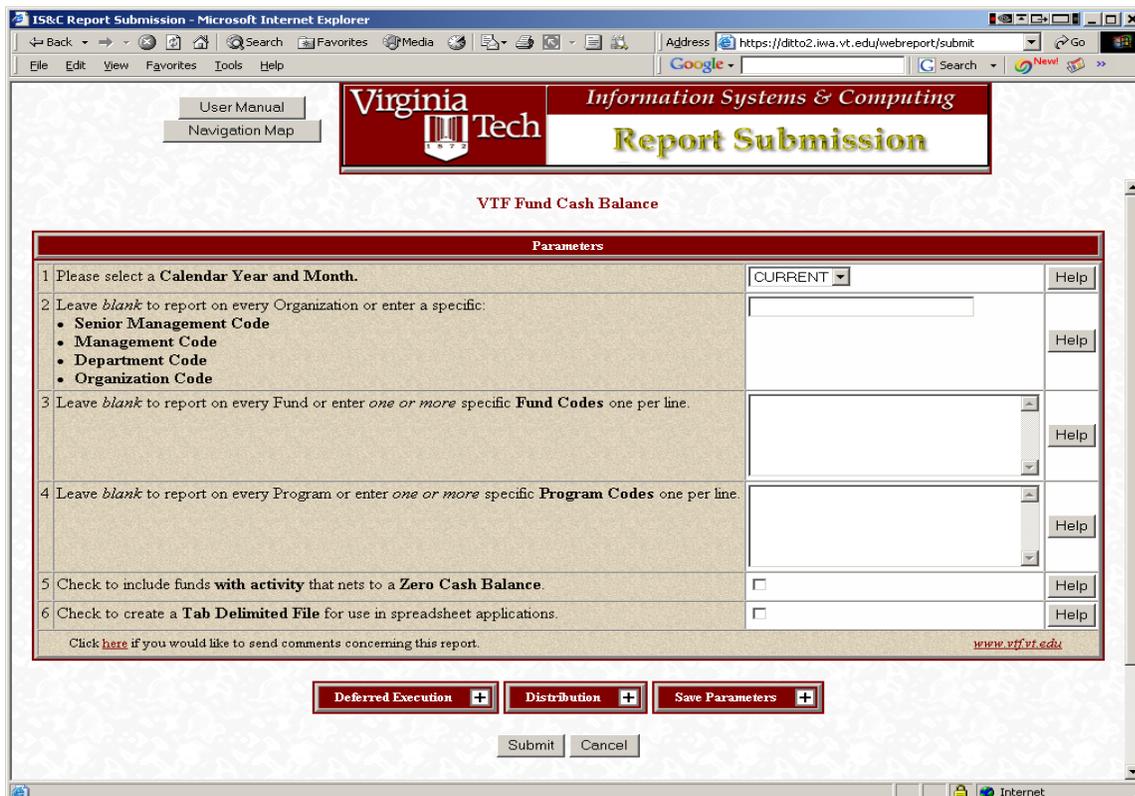
The folders that are accessible will be yellow. Any yellow folder can be selected by clicking on the folder icon next to the folder name. When a folder is selected, its icon changes to an open folder. The folder's contents are displayed in the 'Folder's Report Definitions' column and the available actions are displayed in the Maintenance column. If the box to the left of the folder icon contains a +, then the folder has sub folders that may be displayed opened.

VTF reports for the university community are maintained in the 'Departmental Reports' folder under the 'Finance (Foundation)' folder.

**Note:** Virginia Tech Finance reports reside in a separate folder under 'Finance (Virginia Tech)'.

## SUBMITTING A REPORT

To select a report to be submitted, single click on the icon next to the report name that appears in the 'Folder's Report Definitions' column. Once this is done, the parameter page for the specific report selected is displayed. Below is an example of the 'VTF Fund Cash Balance' report:



The screenshot shows a web browser window titled "VTF Fund Cash Balance" with the URL "https://ditto2.iwa.vt.edu/webreport/submit". The page header includes the Virginia Tech logo and "Information Systems & Computing Report Submission". Below the header, there are buttons for "User Manual" and "Navigation Map". The main content area is titled "VTF Fund Cash Balance" and contains a "Parameters" section with the following items:

Parameters	
1 Please select a <b>Calendar Year and Month</b> .	CURRENT <input type="button" value="Help"/>
2 Leave <i>blank</i> to report on every Organization or enter a specific: • <b>Senior Management Code</b> • <b>Management Code</b> • <b>Department Code</b> • <b>Organization Code</b>	<input type="text"/> <input type="button" value="Help"/>
3 Leave <i>blank</i> to report on every Fund or enter <i>one or more</i> specific <b>Fund Codes</b> one per line.	<input type="text"/> <input type="button" value="Help"/>
4 Leave <i>blank</i> to report on every Program or enter <i>one or more</i> specific <b>Program Codes</b> one per line.	<input type="text"/> <input type="button" value="Help"/>
5 Check to include funds <b>with activity</b> that nets to a <b>Zero Cash Balance</b> .	<input type="checkbox"/> <input type="button" value="Help"/>
6 Check to create a <b>Tab Delimited File</b> for use in spreadsheet applications.	<input type="checkbox"/> <input type="button" value="Help"/>

Click [here](#) if you would like to send comments concerning this report. [www.vtf.vt.edu](http://www.vtf.vt.edu)

Buttons at the bottom:

On the left hand side of the 'Parameters' page, there is text explaining each available parameter for the specific report. The middle column of this page is for user input to provide values for the

available report parameters. Further information about the input parameters and helpful hints are available by clicking on the 'Help' button.

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## OTHER FEATURES

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Web Reporting offers a large number of additional features not discussed in this document. To see a complete review of the Web Report Submission, refer to the user manual available on the submission site.

## **X. BANNER**

### **A. Common Banner Forms**

#### **Fund Forms**

**FTVFUND:** Fund Code Validation Form (query for funds)

**FZIGRNT:** Grant Search Form (search for endowment and corresponding income funds)

**FTMFUND:** Fund Code Maintenance Form (query for fund attributes)

#### **Accounting Forms**

**FGITBSR:** Trial Balance Summary Form (assets and liabilities – cash, revenue and expenditure control – balance sheet)

**FGIGLAC:** General Ledger Activity Form (details transactions that affect balance sheet items)

**FGIBDST:** Organization Budget Status Form (summary of revenues and expenses by account)

**FGITRND:** Detail Transaction Activity Form (details transactions of revenues and expenses)

#### **Vendor Maintenance Forms**

**FZIVEND:** Vendor Inquiry Form (query for vendor information)

#### **Miscellaneous Forms**

**FTVORGN:** Organization Code Validation Form (query for organization/department numbers)

**FTVACCT:** Account Code Validation Form (query for account code names/numbers)

**GUAPMNU:** Personal Menu Form (form to build a personalized Banner menu for frequently used forms)