



# KENTUCKY STATE UNIVERSITY POLICIES AND PROCEDURES

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**POLICY TITLE:**

Deposits to The Kentucky State University Foundation, Inc.

**VOLUME, SECTION & NUMBER:**

4.1.12

**ENTITIES AFFECTED:**

All Departments and Divisions  
The KSU Foundation, Inc.

**ADMINISTRATIVE AUTHORITY:**

Office of Institutional Advancement

**APPROVED BY:**

The Kentucky State University Board of Regents

**EFFECTIVE DATE:**

November 28, 2023

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**POLICY STATEMENT:**

This policy outlines the procedures for making deposits to The Kentucky State University Foundation, Inc. (hereinafter referred to as "Foundation") by employees of Kentucky State University (hereinafter referred to as "University"). It aims to ensure transparency, accountability, and proper financial management of all deposited transactions.

**DEFINITIONS:****Foundation**

The Kentucky State University Foundation, Inc.

**University**

Kentucky State University

**President**

The employee named and appointed by the Board of Regents of Kentucky State University as having the powers and duties of the President, whether that be on a permanent, interim, or acting basis.

### **Vice President**

A direct report to the President who is designated in writing by the President to sign deposits.

### **AUTHORIZATION:**

The only office automatically authorized to make deposits at the Foundation is the Office of Institutional Advancement. However, the President may authorize other employees to initiate deposits to the Foundation. Authorization shall be granted by the President in writing.

The President may also delegate authorization authority to a Vice President. Such delegation shall be in writing. Any authorization granted by a Vice President must also be in writing.

### **DOCUMENTATION AND VERIFICATION:**

Before a deposit can be made, the deposit must be recorded in the University's donor database (currently Raiser's Edge by Blackbaud). No deposit shall be delivered to the Foundation by any University employee or agent prior to it being recorded in the donor database. Because the Office of Institutional Advancement maintains the donor database, the Office must be notified of all deposits made by any individual. All deposited funds shall be considered University funds, and the University will maintain continuous operational control of the funds.

Prior to making any deposit, the Office of Institutional Advancement must enter all applicable information into the donor database, providing accurate and detailed information regarding the source, amount, and any supporting documentation, as applicable.

The deposit must be verified and signed by the authorized personnel delegated by the University President, or their designee.

The Office of Institutional Advancement must retain copies of the deposit, supporting documentation, and any other related records for future reference and audit purposes, per state retention guidelines and regulations.

### **DEPOSIT PREPARATION AND PACKAGING:**

**Cash:** All cash deposits shall be securely packaged, counted, and reconciled in accordance with the University's cash handling policies and procedures. Cash must be in a sealed envelope. Prior to sealing, the person making the deposit must have a second person confirm the amount, and the confirming person must seal the envelope. Both persons must sign and date the envelope. If the second person is not a University employee, they must record their phone number and email on the envelope when signed.

**Checks:** All checks received as part of a deposit made payable to the Foundation shall be endorsed with the official Foundation endorsement stamp (completed by the Foundation and not the University). Checks should be restricted for deposit only to the Foundation's designated bank account.

**Electronic Transfers:** For electronic transfers or other non-cash deposits, the authorized personnel shall ensure proper documentation and reconciliation of the deposited funds.

## **RECORD KEEPING AND REPORTING:**

All deposit transactions shall be accurately recorded in the Foundation's financial records as well as the donor database, adhering to the accounting principles and guidelines of the University and the Foundation.

The Foundation and the authorized KSU personnel responsible for deposits shall promptly submit necessary documentation and reports to the appropriate donors/departments, thereby ensuring transparency and accountability.

## **VERIFICATION AND RECONCILIATION:**

The Foundation shall implement appropriate verification and reconciliation processes to ensure the accuracy and integrity of all deposit transactions. On a monthly basis, the Foundation shall provide donation receipts as confirmation of deposits, with said receipts reflecting the donor's name, deposit amount, and the fund the donations were deposited into.

All deposits to the Foundation must be accurately recorded in the Foundation's financial records, adhering to the University's accounting principles and guidelines including, but not limited to, the annual audit, annual donor report, and the annual 990 filed with the IRS.

Regular reviews and audits of deposit records shall be conducted at least quarterly to detect any discrepancies, errors, or potentially fraudulent activities. Any identified issues shall be addressed promptly and reported to the University's Board of Regents, the Foundation's Board of Directors, and all appropriate authorities.

## **RELATED POLICIES AND DOCUMENTS:**

Gift Acceptance and Donor Recognition Policy

Policy on Disbursements from the Foundation

Foundation and University Memorandum of Understanding

## **STATUTORY OR REGULATORY REFERENCES:**

KRS 164A.550 to KRS 164A.630

KRS 273.600 to 273.645

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