



KENTUCKY STATE UNIVERSITY POLICIES AND PROCEDURES

POLICY TITLE:

Disbursements from The Kentucky State University Foundation, Inc.

VOLUME, SECTION & NUMBER:

4.1.13

ENTITIES AFFECTED:

All Departments and Divisions

The Kentucky State University Foundation, Inc.

ADMINISTRATIVE AUTHORITY:

Office of Institutional Advancement

APPROVED BY:

The Kentucky State University Board of Regents

EFFECTIVE DATE:

November 28, 2023

POLICY STATEMENT:

This policy outlines the procedures for requesting disbursements from 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 for all withdrawal transactions.

DEFINITIONS:**Disbursement Request Form**

The current form used for requesting withdrawals from the Foundation.

Foundation

Kentucky State University Foundation, Inc.

Signed Approval

A memo with a wet or digital signature applied, or an original email from the University email account assigned to the University President, Vice President, or designee.

University

Kentucky State University

University Employee

A current salaried or hourly employee or agent of Kentucky State University.

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 University President who is designated by the University President in writing to sign disbursements.

AUTHORIZATIONS:

Each fund held at the Foundation on behalf of the University must have an authorized University employee assigned to it. An employee may be assigned by name or title. The only automatically authorized employee is the University's President. Other employees may be authorized in writing by the President, or the President's designee, and only after such declaration is received by the Office of Institutional Advancement and the Foundation. Any perceived authorizations granted prior to June 20, 2023, are to be considered null and void.

Only individuals authorized by the President shall have the authority to approve and initiate disbursements from the Foundation. Authorization shall be granted by the President in writing. The President may also delegate authorization authority to a Vice President in writing. Any authorizations granted by a Vice President shall also be in writing.

PROCEDURES:

Approval to spend funds from the Foundation must be received before a disbursement request is submitted. No funds will be approved to cover incurred expenses without prior signed approval by a Vice President or the President, or as otherwise specified in applicable guidelines and procedures.

To initiate a payment for approved expenses, University employees must use The KSU Foundation Disbursement Request Form located on the University's website. However, to disburse funds from an account, the "requested by" or "submitted by" University employee must, as described above, be authorized to do so either by name or title. No disbursement form may be submitted without the signature of the Division's Vice President or Administrator, the Vice President for Finance & Business Affairs, and the President. The KSU Foundation Disbursement Request Form, providing accurate and detailed information regarding the purpose, amount, and supporting documentation, as applicable.

Disbursement forms must have supporting documentation (emails, receipts, invoices, estimates, etc.) and memoranda of explanation outlining the prior approval by a Vice President or the President. The completed disbursement form shall be submitted to the Office of Institutional Advancement to be delivered to the Foundation and to ensure all disbursements are tracked for record retention purposes.

Once disbursements are made from funds, the Foundation will provide the confirmation of disbursement and the updated balance of the fund to the Office of Institutional Advancement. The authorized personnel and the

Office of Institutional Advancement must retain copies of the KSU Foundation Disbursement Request Form, supporting documentation, and any other related records for future reference and audit purposes.

For disbursements requested to be made payable to the University President, prior approval must be granted by the Chair of the University's Board of Regents. The KSU Foundation Disbursement Request Form will be reviewed to form by the Office of the General Counsel and signed by the Chair of the University's Board of Regents.

DISBURSEMENT LIMITS AND DONOR RESTRICTIONS:

Disbursements shall adhere to any applicable legal or regulatory requirements.

Special restrictions may apply to specific funds, grants, or donations, as stipulated by donors or granting agencies. Authorized personnel must comply with these restrictions when making disbursements. If there are no restrictions on an account signed by the Funder or in an official funding document, the Foundation shall deem the account Unrestricted. The University President or their designee must grant prior approval for expenditures from Unrestricted Accounts. Copies of all official funding documents must be on file and maintained at both the Foundation and the University.

VERIFICATION AND RECONCILIATION:

The Foundation shall implement appropriate verification and reconciliation processes to ensure the accuracy and integrity of all disbursed transactions.

Regular reviews and audits of disbursement 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 appropriate authorities.

All disbursements from the Foundation must be accurately recorded in the University's and the Foundation's financial records, adhering to the University's accounting principles and guidelines.

RELATED POLICIES/DOCUMENTS:

Gift Acceptance and Donor Recognition Policy

Policy on Deposits to 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
