

Supporting Foundation Reimbursement Cost Sharing Training

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Definition of Cost Sharing (relative to Memorandum of Agreement process)

- When the University and a supporting foundation agree to share costs of an activity where an organizational unit, employees or immediate family members are conducting that activity on behalf of a supporting foundation.

Supporting Documentation, Policies and Procedures

- Supporting Foundation Reimbursement (Accounting Handbook)
 - https://www.cu.edu/controller/policiesandprocedures/accountinghandbook/supporting_foundation_reimbursement.html
- *“Direct Spending from a Foundation on behalf of the University - #4017”*
 - <https://www.cu.edu/policies/aps/finance/4017.pdf>
- *“Reimbursement for Work Done on Behalf of a University of Colorado Supporting Foundation - #4019”*
 - <https://www.cu.edu/policies/aps/finance/4019.pdf>
- *“Supporting Foundation Reimbursement”*
 - <https://www.cu.edu/controller/documents/FPS-Supporting%20Foundation%20Reimbursement.pdf>
- *“Propriety of Expenses - #4015”*
 - <https://www.cu.edu/policies/aps/finance/4015.html>

Examples of Cost Sharing Events

- Donor/alumni cultivation travel & meals
- Printing/postage costs when development-related
- Donor cultivation meals-local
- Memberships
- Advisory group meals
- Awards banquets
- Activities that are co-hosted by the University & the Foundation
- Stewardship event
- Scholarship events
- Advisory Council Meetings
- Note: For events combining food & alcohol, the percentage split needs to be approximately equal on both food & alcohol.

Cost Sharing Steps

- The CU Organization is responsible for the preparation and submission of the following to the Office of University Controller (OUC) in order to be reimbursed by the *supporting foundation*:
 - an invoice, using the invoice template (found on link below).
 - the **original signed** Memorandum of Agreement (MOA), using the MOA template (found on link below). NOTE: the MOA must have the original signatures on the MOA submitted to the OUC – this means that copies of the MOA are not acceptable.
 - copies of the completed payment and reimbursement documents (including associated receipts and additional documentation), and,
 - a copy of the m-Fin Financial Detail report documenting that each expense being requested for reimbursement has been paid from a University SpeedType.

<https://www.cu.edu/controller/forms/>

The paperwork listed above needs to be submitted to Jane King, Office of University Controller at 1800 Grant Street #600, Denver, Colorado 80203 or Campus Box 436 UCA Denver, Colorado 80203.

Cost Sharing Steps (Continued)

Some other steps to the process that are important to know are:

- Prior agreement to cost sharing, as evidenced by the signing of the MOA in **advance of costs being incurred**, is important. In addition, timeliness between when the cost is incurred and when the invoice and supporting documentation is sent to the *Foundation* is critical due to monitoring of expenditure budgets.
- The *Foundation* reimburses the University by putting the funds in to account 325111 (Foundation Service Revenue) and in to the SpeedType provided by the Organization on the Invoice. Conversely, expenses relating to this reimbursement are put in to account 552666 (Foundation Requested Services) in the same speedtype that the revenue will be transferred to by the *Foundation*.
- The OUC will do the journal entry to move the expenses to the correct speedtype and account (552666) when the OUC processes the MOA paperwork. (Note: In situations where the expenses are initially paid from an interdepartmental account, the expenses will be left in the interdepartmental account and not moved to account 552666).
- When MOA paperwork is submitted to the *Foundation* for reimbursement, the Organization contact listed on the Invoice and Rick Todd in Treasury will be copied on the message so that they are aware that the reimbursement request has been made for the revenue and that the journal to move expenses to account 552666 has been completed. Copies of all paperwork submitted to the *Foundation* will be attached to the email message.

Cost Sharing Steps (Continued)

- It is important at fiscal yearend that the OUC is aware of any pending MOAs so that revenue and expense accruals can be made. Any journal accruals at yearend for revenue or expenses relating to MOAs must be completed by the second close. The accrual entries are made so that the revenue and expenses are booked in the correct fiscal year. The OUC will work closely with the Organization's staff in order to determine who will do the accrual journal entries.
- It is important for the *Foundation* to have some idea of expected reimbursements throughout the fiscal year. For this reason, it is helpful if MOA copies are faxed or emailed to the OUC once they have been signed. The OUC can then forward a copy to the *Foundation* so both the OUC and *Foundation* are aware of pending MOA transactions. MOA copies can be faxed to the attention of Jane King at 303-837-2122 or emailed to jane.king@cu.edu. Please note that the OUC will not request reimbursement from the *Foundation* until all necessary paperwork related to the MOA has been submitted and approved by the OUC.
- All campuses should note that alcoholic beverage reimbursement should be recorded in an appropriate Fund 34 SpeedType.
- **Boulder campus only:** As a reminder to those on the Boulder campus, supporting foundation reimbursement activity should be recorded in a Fund 29 SpeedType or Fund 34 if alcohol is purchased.