All Purdue University Staff members processing or approving SDIP fund requests should be familiar with the guidelines pertaining the purpose and the intended use.

The four <u>Key</u> statements below are indicated within the SDIP guidelines and valuable information to keep in mind when processing SDIP request.

https://prf.org/documents/discrect guidlines.pdf

### **Background:**

- School Discretionary and Institutional Program (SDIP) funds are unrestricted charitable contributions made by alumni, friends, corporations, staff, and faculty.
- These contributions are donated to fund expenditures that will enhance program and departmental missions, goals, and objectives.

### **Philosophy:**

- Good stewardship of funds includes expending funds in support of the purpose for which they were given.
- The unrestricted nature of SDIP funds does not absolve the University and foundation of their stewardship responsibilities.
- A good test for the appropriate use of gift funds is: Would you ask a donor to contribute money for this purpose?

### **Procedures:**

- SDIP funds should be expended through the Purdue Research Foundation (PRF) for expenditures that are unallowable on university funds.
- Any expenditure which benefits the authorizer personally or which might represent a conflict of interest based on relationship to the authorizer is unallowable.
- SDIP funds will be transferred to the University when expenditures are allowable on university funds.
- These transfers will be recognized as gift income to the University.

## **Processing SDIP Request**

- When requesting SDIP funding, departments should describe the business reason for the expenditure, in addition to providing proper backup documentation, including original receipts.
- If original receipts are not available, an explanation must be attached to the request.
- Requests for reimbursements must be within 12 months of the event.

#### **SDIP** Associated Forms located on our website:

https://prf.org/financial-services/

#### **Discretionary Fund Request (DFR)**

https://prf.org/financial-services/Discretionary-Fund-Request-6.30.22-1.pdf

### **DFR Purpose**

- Requesting SDIP funding to be used: for the purpose of transferring SDIP funds from PRF to a Purdue University account, to pay a vendor for SDIP related expenses, or to reimburse an individual for SDIP
- To request an internal Transfer of Funds from one SDIP account to another.

Prior to submitting a DFR form and documentation ensure the purpose is allowable.

#### **SDIP Common Allowable Expenditures**

expenditures made with a personal credit card.

- o Athletic Tickets and seating purchases used for Donors or Alumni relations.
- o Alcohol purchases for Purdue University approved events and, or Business Meeting.
- o Decorations for Purdue University approved events or departments functions.
- o Event Rentals: tables, chairs, linens, or audio equipment...etc.
- Funeral flowers and sympathy cards for exclusively:
  Purdue University students, staff, and donors.
  (funeral flowers or memorials gifts for family members is <u>not</u> allowable)
- o Fund-raising expenses that are not appropriate per the University policy.
- o Gift or Awards purchases for Purdue University approved events.
- o Give-a-way for promoting purposes generally for tailgates.
- o Mailing supplies and postage for promotional use.
- o Printing for programs, cards, promotional documentation.
- o Retirement gifts refer to policy for detailed guidelines.
- Seasonal Flowers used for common areas.
- o Small appliances for departmental use, donors or alumni.

## **SDIP Unallowable Expenditures**

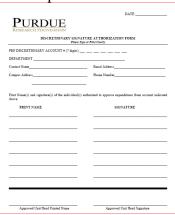
- o Gift cards or gift certificates should Not be purchased.
- o Memberships.
- o Office parties, holiday parties, or decorations.
- o PU hospitality funds must be used for approved events or meetings when only food is purchased.
- o Travel expenses for spouses of university officials not acting as official volunteers or representatives of the University.
- o Unapproved sponsored gifts or benefits to employees.

## **DFR Instruction for Payment Requests**

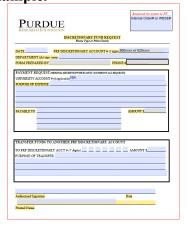
Include the following information.

- WBSE or Internal Order # for PU Transfers
- o Processing Date
- o PRF-PU Discretionary Account # 7 Digits# starts with an 82xxxxx or 80xxxxx
- o Departments (full name)
- o Prepared By
- Phone Number for PU contact #
- o Payable To:
  - Include Purdue University for transfers, Vendor or Individual name and a complete address.
  - For individual reimbursements their home address must be used.
- o In the body of the DFR indicate the purpose and business reason for the request.
- o Include proper backup documentation and receipts.
- o If receipts are not available, an explanation must be attached to the request.
- o The request must be approved by an "Authorized Signor."

The approvers name must be listed on the DSAF associated with SDIP account being used for request.



Example.

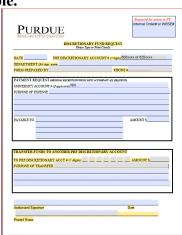


## **DFR Instruction for TRANSFER FUNDS TO ANOTHER SDIP**

Include the following information.

- Processing Date
- o PRF-PU Discretionary Account # 7 Digits
  - # starts with an 82xxxxx or 80xxxxx
  - For TRANSFER OF FUNDS (this is the debiting account to be used)
- o Departments (full name)
- o Prepared By
- Phone Number for PU contact #
- o Enter (7 digits) account number to be transferred.
- o Amount
- Purpose of Transfer
- o Authorized Signature and Date

Example.



Send completed requests and documentation to prfap-discretionary@prf.org

### **Rejected/Returned DFR Forms**

Incomplete requests will be rejected/returned.

- o Returned DFR will not be saved, nor additional reminders sent.
- o It is the PU requesters responsibility to resubmit.

## **SDIP Common DFR Processing Delays**

- o The Payable to Vendor or Individual does not have an established PRF-AP ID
  - IRS Form W-9 is needed.
- o DFR missing Internal Order/WBSE # for PRF-PU Transfers
- o SDIP Account number is missing or is incorrect.
- o The authorized signer is not listed on the DSAF held at PRF.
- o The Payable to address is missing.
- o Documentation or receipt is not included.
- o The SDIP funds are not available.

### **Discretionary Signature Authorization Form (DSAF)**

https://prf.org/documents/discretionary\_signature\_form\_update\_2011.pdf

#### Each PU Department must complete a DSAF for all responsible SDIP accounts.

The DSAF is kept on file at PRF and used to reference Authorized Signatures for each submitted DFR.

## **Department Action Needed for Non-Authorized Signatures**

- A New **DSAF** can be completed and submitted to <u>prfap-discretionary@prf.org</u>.
  It is most important to submit a **New DSAF** when departmental staff changes occur.
- o Or obtain an **Authorized Signature** from an individual listed on the DSAF on file.
- o To inquire who your departmental SDIP approvers are send an email requesting this information to: prfap-discretionary@prf.org

### **New Vendors or Individual - W-9 form**

https://www.irs.gov/pub/irs-pdf/fw9.pdf

A Vendor or Individual does not have an established PRF AP-ID.

- Prior to processing a new vendor/individual request an official IRS W-9 form must be completed properly, signed, and dated.
- A Sub-W-9 is <u>not</u> acceptable.
  Purdue Research Foundation and Purdue University have diverse accounting systems and unlinked financial accounts. The Sub-W-9 should only be used for PU AP request.

Forms containing sensitive information should be shared with tkgick@prf.org through the PU File Locker.

## **SDIP Miscellaneous**

## PRF discretionary name change or new SDIP request Form

https://prf.org/financial-services/PRF-discretionary-name-change-or-new-SDIP-request-Form-.pdf

# Purdue University Hospitality Policy (II.A.1)

https://www.purdue.edu/policies/business-finance/iia1.html