



Acceptance of Gift Funds Procedure

Procedure #: 131.1

Rev.: 0

Effective Date: December 12, 2017

Related Policy: [Gift Funds Policy](#)

Functional Owner: Financial Information Management, Business Services

Contact: Gift Management Accountant
Gift Management Mailbox: giftmgt@bussvc.wisc.edu

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I. Procedure Statement

The Wisconsin Foundation and Alumni Association (WFAA) accepts only those gifts that meet all the criteria detailed in the Gift Funds Policy.

II. Who is affected by this Procedure

All UW- Madison employees accepting and receiving gift funds. Campus and Divisional Leadership have a formal responsibility to ensure individuals within their Division(s) accepting gift funds are fully informed and understand gift acceptance procedures.

III. Procedure

The following steps represent the overall process for receiving and processing gifts:

1. Donors who wish to make gifts to the WFAA should be advised to make the check payable to "UW Foundation" or to make payment to the WFAA through the WFAA website. This is done by visiting <https://www.supportuw.org/how-to-give/> and clicking on "Give Now" or by contacting the WFAA at uwf@supportuw.org. If the donor would like to make a donation to WFAA via ACH or wire, contact the WFAA gift processing team at help@uwadvancement.org for assistance.

2. It is acceptable to deposit checks payable to other names with the WFAA if there is clear documentation that the donor intended the check to be a gift to the WFAA or deposited into a fund at the WFAA. That documentation must be forwarded to the WFAA with the check.
3. A University of Wisconsin Foundation Gift Deposit Form must be forwarded with the checks when they are sent to the WFAA. This form is available on the WFAA's Advancement Resources web site for those with authorized access.
4. This form must be printed and routed for signature through the appropriate school/college/auxiliary Dean's/Director's Office before it goes to the WFAA.
 - a. Where correspondence with the donor will be useful in documenting the intent to give the gift, the correspondence should be attached to the form. Questions regarding deposit of WFAA checks should be directed to the WFAA's gift processing team at help@uwadvancement.org.
5. All gifts made directly to the University and other receipts that will not be routed to WFAA for deposit must be deposited to University accounts. (Example: check received from another University for collaboration on a project):
 - a. For checks, complete a UW-Madison [Gift Check Routing Form](#), and route to your Dean's office for processing. Appropriate University deposit procedures should be followed to deposit such funds (Refer to Accounting Services, Cash Management [Policy 402 – Revenue Accounting](#)).
 - b. For ACHs or wires, complete a [Wire-Incoming Department Wire/ACH Form](#) and a [Gift Check Routing Form](#) and route to your Dean's office for processing. Appropriate University deposit procedures should be followed to deposit such funds (Refer to Accounting Services, Cash Management [Policy 402 – Revenue Accounting](#)).
 - c. Questions regarding deposit of gift funds directly to University accounts should be directed to Accounting Services, Gift Management at giftmgt@bussvc.wisc.edu.
 - d. Donors may also provide the University with goods/services as in-kind donations. All tangible property gifts received by the University from a donor are to be reported on a Gift in Kind Routing Form. See the Gift in Kind Policy 130 and Procedure 130.1 for more information.
6. Whether checks are payable to the University or the WFAA, good internal control procedures must be followed. These include:
 - a. Restrictively endorsing checks "for deposit only" immediately upon receipt.
 - b. Depositing checks within five days of receipt.
 - c. Logging and tracking receipts and verifying posting following processing.
 - d. Storing un-deposited funds in a locked desk or safe overnight.
 - e. Segregating duties of handling and depositing physical checks with separately assigned review and monitoring duties.
7. In accordance with the IRS regulations and good donor relationships, all gifts must be acknowledged in writing. The organization that is the recipient of the gift is responsible for providing the donor with the gift acknowledgement (i.e., gifts made to the WFAA must be acknowledged by the WFAA, and gifts made directly to the University must be acknowledged by the University). A sample gift acknowledgement letter can be found on the [Gift Management website](#).
 - a. In situations where the donor makes a gift and receives any goods or services in exchange for the gift, such as an alumni dinner or golf outing, the gift is classified by the IRS as a [quid pro](#)

quid pro quo transaction that is partly a gift and partly the purchase of goods and/or services. All solicitation materials produced by the University or the WFAA for donations involving quid pro quo are required to contain information about the tax effect of the contribution as well as a reasonable estimate of the value of the goods and services being delivered to the donor in exchange for the gift.

- b. For joint University-WFAA fundraising activities, work with WFAA personnel in any situation where gifts involve an element of quid pro quo before solicitation materials are distributed.
 - i. University Divisions are to develop a budget of fee for service revenues and expenses in advance of the event and to share that information with their financial leadership personnel and the applicable development personnel at the WFAA.

V. Definitions

1. **Donor:** An individual or organization who donates either money or a tangible item to UW-Madison.
2. **Donation:** Money or a tangible item given to support the University's mission of academics, research or outreach.
3. **Gift acknowledgement:** Letter provided to donor that acts as the donor's tax receipt.
4. **Quid pro quo:** A transaction that is partly a gift and partly a purchase of goods and/or services.
5. **UW-Madison Gift Check Routing Form:** A required form used in routing payments to be deposited into a Gift Fund appropriation (Fund 233/533).

VI. Related References

[131: Gift Funds Policy](#)

[Gift Use Procedure 131.2](#)

[130: Gift in Kind Policy](#)

[Acceptance of Gift in Kind Procedure 130.1](#)

[WFAA Advancement Resources Website](#)

[Gift Check Routing Form](#)

[UW-Madison Revenue Accounting Policy](#)

[UW-Madison Check Deposit Form](#)

[IRS Substantiating Charitable Contributions](#)

[Sponsored vs. Gift Guidance](#)

VII. Revisions

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