SMTD FINANCIAL STEWARDSHIP OF GIFTS OVERVIEW

The objective of the SMTD Financial Stewardship of Gifts process is to ensure that all gifts are processed and recorded properly. In addition, it is to ensure gifts are being spent according to donor's intent.

GIFT ACCEPTANCE: IS IT ACCEPTABLE?

SMTD development staff will determine if gift is acceptable to the University.

- See SPG 602.02 for guidelines.
- Information on various types of gifts can be found at https://leadersandbest.umich.edu/how.
- Note: unusual gifts in kind (particularly real estate) and securities need careful review – please contact Gift and Records Administration (GRA) for assistance.
    - Additional procedures for accepting real estate can be found at: Development News
    - For specifics questions on Securities: call GRA Help Line at (734) 647-6179, toll free at 888-518-7888 or email umgiftsec@umich.edu.
- For further information/guidance call the Gift and Records Administration Help Line toll free at 1-888-518-7888, or either email umgift@umich.edu and/or contact your GRA Unit Liaison: Lindsay Young younglin@umich.edu, 734-615-8175.
- The GRA Liaison School, College & Unit Contact List can be found at: OUD Google Doc.
- If gift is **not** acceptable, a development staff member will notify donor.
- A development Gift Officer should contact Development Legal Services at (734) 647-6095 when a gift has terms that should be preserved by a written agreement. Development Legal Services handles all gift agreements and gift letters for major gifts.
    - Standard gift agreement templates can be used when drafting agreements and are available in the Development Intranet (DevNet) at: Development Details.
- Once agreement is written, the Stewardship Officer will obtain necessary approvals/signatures from Dean or Unit Director and Donor.
    - Two original copies should be signed – one is retained by Office of Development and one is sent to the Donor.
- The Stewardship Officer will forward signed agreements to Development Legal Services, who will obtain VP of Development's approval/signature (and CFO's or Provost's if necessary).
    - CFO and/or Provost must also review and sign agreement for gift such as:
        - Gifts for construction or increases in UM operating budget require CFO approval.
        - Gifts directly affecting faculty.
        - Gifts of real estate require CFO approval plus conformance to real estate policy.
- Once agreements are signed, Development Legal Services will send one to be imaged and the other to the Donor. GRA will record gift in DART.

RECEIVING CASH (CHECK) GIFTS: DEPARTMENTS OTHER THAN THE SMTD OFFICE OF DEVELOPMENT

If the SMTD receives a gift of either cash or check (i.e. instead of the SMTD Office of Development receiving it), the following SMTD Cash Handlers by Department are authorized to receive these gifts. Please see SMTD Resources: Cash & Check Handling at: SMTD Cash Handling Policy.

- Individuals handling cash/checks should take the Cash Handling training course (My LINC TME103). Cash Handling training only needs to be taken **once.**
- If a SMTD staff member outside the Office of Development & External Relations receives a check, **do not** deposit/process - forward it to development staff.
- Cash handler will hold and lock up the donation(s) and notify the SMTD Development Generalist.
  - Leave check and any correspondence (including envelopes) in the development mail box at the Moore or Stearns building. Otherwise, they must be hand delivered to a development staff member. Credit card information should not be accepted by anyone other than a development staff member.
- The SMTD Development Generalist will retrieve and process the donations.

PROCESSING/RECORDING GIFTS: CREDIT CARDS

- Credit card donations by the donor to the SMTD can be processed online at https://leadersandbest.umich.edu/find/#!/scu/smtd or
- by contacting the SMTD Office of Development.
  - Individuals handling credit card info should take the Merchant training course (My LINC TME102) **annually**.
  - Development staff keep a record of the gift and its designation but **do not** store specific credit card information electronically or in writing.
  - Credit card information is sent securely to the Gifts and Records Administration office.

PROCESSING/RECORDING GIFTS: CASH/CHECKS

- Follow the steps/controls outlined in the Cash (and Check) Handling written procedures including:
  - Maintaining a log of gifts received.
    - When development staff fill out a gift processing form, which is created by GRA, a gift log automatically populates through a Google form. This information is only accessible by development and GRA staff, as it contains confidential donor information. Each gift processing form contains the name of the donor, their address (if the gift is made by credit card), the check number (if applicable), the gift amount, gift designation, and the corresponding donor lookup ID for DART.

- As with all cash handling, once cash is received it must be logged and that deposit log must be sent to the Financial Manager and the Depositor. See [SMTD Cash Handling Policy.](#)
  - ▪ Credit card numbers are hand written and never typed into a gift processing form for security purposes.
  - ▪ A copy of each gift processing form is retained for one calendar year to ensure DART accuracy. Credit card information is never retained or typed into computers.
  - o Safeguarding
    - ▪ Checks and credit card numbers are never retained for more than 24 hours. Credit card information is destroyed immediately after processing and delivery to a gift drop box.
  - o Separation of duties, etc.
    - ▪ GRA does all gift reconciliation. SMTD verifies gift record in DART for stewardship purposes.
- Refer to Cash Handling procedures which are located on the SMTD website at [SMTD Resources Page.](#)
  - o Units can utilize gift log available in M+Google web apps, for more information see: [Gift Log Getting Started](#) or [Gift Form Help](#) (sign in with uniqname and password).

DEPOSITING CASH

- When the SMTD receives gifts of currency, the development staff cash handler delivers the currency to the SMTD Business Office Depositor.
  - o The Depositor will deposit cash at an auto-deposit station and submits (via drop box) a copy of the cash receipt ticket (CRT) along with proper form and supporting documentation to the Gifts and Records Administration (GRA) Team to process gifts.
  - o **Positions responsible for depositing cash should not be responsible for receiving funds or performing reconciliation.**
  - o Individuals creating CRTs and/or depositing cash should take the Depository Certification training (My LINC TME101) every two years.
  - o **Do not** send cash to the Office of Gift and Records Administration or place in the gift drop box and **never** put gifts of any kind through campus mail.
- For more info on depositing process, see: http://www.treasury.umich.edu/deptraining.html.
- The Development Generalist confirms if the donor has a LookupID (LID - formerly "EID") by performing a constituent search in DART while completing the [Gift Processing Form](#).
  - o Guidance on how to perform a constituent search in DART can be found at: [https://dart.dev.umich.edu/node/72.](https://dart.dev.umich.edu/node/72)
  - o If donor does not have LID, partially complete the form leaving the LookupID field blank.
  - o Gift Processing Form can be found at: [Gift Form](#).
  - o For instructions, see: [Gift Log Getting Started](#) OR [Gift Form Help](#).

- ▪ Also see the Best Practices in Gift Processing presentation for further instructions at: [Best Practices in Gift Processing.](Best%20Practices%20in%20Gift%20Processing.)
- The Development Generalist sends Gift Processing Form (or Response Card) along with the CRT (for cash gifts only) or check or credit card info, and any related correspondence (i.e. donor notes) to Gift and Records Administration via Development Drop Box.
  - o It is the responsibility of each unit to transfer gifts to the processing office in a timely manner.
  - o Development Drop Boxes are located in the Michigan Union and Pierpont Commons.
- Gifts **with** Constituent LookupIDs (LID):
  - o Use a **Standard** Campus Envelope.
  - o **Label** the envelope "Development Drop Box".
  - o These envelopes are delivered to the Lockbox.
- Gifts **without** Constituent LookupIDs (LID) or cash gifts/gifts in kind:
  - o Use a **Red** Campus Envelope.
  - o **Red** and any **Standard** envelopes that are labeled anything **other than** "Development Drop Box" are delivered to GRA.
- The Stewardship Officer determines if a new endowment related chartfield needs to be established.
  - o If so, submit a New Chartfield Request Form to Financial Operations (FinOps) ASAP (and copy your GRA Unit Liaison).
  - o For non-endowment related chartfields, the form is submitted to the Shared Service Center (SSC).
  - o New Chartfield Request Forms, which include submission instructions, can be found here: http://www.finance.umich.edu/node/11693.
  - o **NOTE**: some new gifts may be deposited to already established project/grants or endowments as long as the donor does not want a specific title for the gift or the donor intent is not covered by already established expendable or endowed accounts. If a new chartfield **is not** needed, send gift or pledge to GRA.
- The Stewardship Officer documents and maintain donor intent via lists maintained in Microsoft Excel and DART.
  - o Donor intent should be documented in a way that allows the unit to easily review potential uses of funds.
- Donor intent may be tracked in DART, it should be entered within the Attributes tab of the Purpose page. For more information, see: https://dart.dev.umich.edu/node/94.
- Development Unit Liaisons should request DART access for individuals requiring access to enter donor intent via "Add New Contact Info" or "Update Contact Info" forms: [Development Directory](Development%20Directory) or submit a DevSvcs Helpdesk Development Systems Access ticket: [Development Services.](Development%20Services.)
- Successful completion of DEVE103 training course is required prior to activating access.
- The Development Generalist reviews the DART Gift Report weekly and compares it to the unit maintained log to ensure all credit card and check gifts were recorded accurately.

- o DART Gift Report is located in Business Objects at: UM-Maintained to Development to DART Development Reports by Category to Revenue Reports to Gift Acknowledgement Report (latest version).
  - o See "Gift Reconciliation Best Practices" for more details: Gift Reconciliation Presentation.
- DART Gift Report is located in Business Objects at: UM-Maintained to Development to DART Development Reports by Category to Revenue Reports to Gift Acknowledgement Report (latest version).
- For issues or questions, contact Gift and Records Administration Help Line for further information toll free at 1-888-518-7888, 8 a.m.-5 p.m., Monday through Friday, Eastern time, or submit a ticket: OUD Services.

IDENTIFYING POTENTIAL USES

All gifts should be spent according to donor intent. Even if a donor only stipulates that the gift is for a particular unit to spend at their discretion, it should remain in the expendable Dean's Discretionary Fund and should not be commingled with other, non-restricted funds such as designated or auxiliary. The SMTD Office of Development develops a plan annually to identify sources and potential uses for funds and ensures they are consistent with donor intent.

- The Chief Development Officer, in consultation with the Stewardship Officer, takes the following steps when considering discretionary donor funds:
  - o Using more restrictive funds first.
  - o Endowment distributions.
  - o Reviewing donor criteria.
  - o Using query tools such as DART and Business Objects to get a listing of all potential matches.
  - o Pulling source documentation (i.e. agreement) to verify match.
  - o Contacting Development Legal if donor criteria is unclear or outdated; review and approval of plan.

ACCOUNTING SET-UP/SPENDING

 The CAO will set up costs associated with the gift expenditures corresponding with the nature of the expense (e.g. appointments for salary, Financial Aid Item Types for student aid, shortcodes/chartfields for purchases, etc.).

- New/change in appts: M-Pathways Student Administration and Human Resource Management System to Workforce Administration to Job Information to Submittal Form Pages.
  - o See Employment – Change in Appt (Including New Appts) procedures for more details.

- FAIT request worksheets: http://www.mais.umich.edu/student/faforms.html.
  - See Unit-Administered Financial Aid procedures for more details.
- Shortcode/Chartfield requests: http://ssc.umich.edu/eForms.
- Review and approval of expenses via the appropriate method (i.e. purchases reviewed on expense report in Concur, appointments reviewed on Submittal form or DBE Workflow transaction, etc.) will follow SMTD policy found on the Resources page.
- The Stewardship Officer reviews "pending/holding" gift accounts as needed in the Statement of Activity and submits Gift Adjustment Ticket to Gift and Records Administration Team before quarterly deadline if transfers are necessary. In general, development staff avoid placing gifts in a pending gift account unless absolutely necessary.
  - GRA Gift Adjustments Ticket Box.
- The Stewardship Officer ensures that funds were transferred by confirming they are properly reflected in DART/Gift Report and on the SOA.
- The Stewardship Officer periodically reviews balances to identify any unspent balances and/or deficits. Notifies appropriate management (including both financial and development) of any deficits or unspent balances.

REPORTING BACK TO DONOR

- The SMTD Office of Development & External Relations sends a report to donors when a donor has made a gift to an endowment of at least $10,000 or has established an expendable scholarship.
- NOTE: For endowments and large gifts, the Office of University Development and Unit Stewardship departments report back to donor.
- For additional guidance, see the "Stewardship Guidelines" document in DevNet at: Guidelines.
  - For more information, select "Reporting" within the Stewardship Toolkit on the Stewardship homepage in DevNet.
- The Stewardship Officer creates and sends report to donor(s).
  - To see best practice examples, select Best Practices on the Stewardship homepage in DevNet.
- Maintain a log of reports given to donor.
- Review to ensure all donors received a report.
- Reports given to donor can be logged in DART as an interaction or as a plan step with a category of "Stewardship" and a subcategory of "Communication – Report".
  - Request DART DEVE101 for access, PRME101 to enter interactions, and PRME201 and STWE101 to fully utilize plan functionality.
  - For more information, see: https://dart.dev.umich.edu/node/87.
- Development Unit Liaisons should request DART access for individuals requiring access to enter stewardship information via "Add New Contact Info" or "Update Contact Info" forms: https://devweb.dev.umich.edu/directory/index.cfm or submit a DevSvcs Helpdesk Development Systems Access ticket: Development Access.

o   Successful completion of STWE101 training course is required prior to activating access.

RECONCILIATION

The Stewardship Officer will Review Statement of Activity (SOA) and other management reports as appropriate depending on nature of expenditure to ensure charges have been assigned to the proper chartfields and to identify any unknown or unexpected activity.

The Gifts and Records Administration team will:

- Maintain proper evidence of reconciliation.
- When cash gifts are received and deposited, unit gift log is compared to the Statement of Activity (SOA) and/or Finance Yearly Trend Report to ensure deposit is accurately reflected.
  o   Finance Yearly Trend Report can be found under the Mgmt Reports tab in MReports.
- When gifts are received via credit card or checks, unit gift log is compared to DART Gift Report to ensure all gifts were recorded accurately.
  o   DART Gift Report is located in Business Objects and can be found at UM-Maintained > Development > DART Development Reports by Category > Revenue Reports > Gift Report Archive > Gift Report (latest version).
- See "Gift Reconciliation Best Practices" for more details: Gift Reconciliation Presentation.
- Finance Yearly Trend Report can be found under the MGMT REPORTS tab of MReports.

MONITORING & OVERSIGHT

- The Stewardship Officer obtains and reviews a System Role Report to validate all individuals with access to DART are appropriate. Contact ITS Access & Accounts to request a report.
  o   ITS contact info: http://its.umich.edu/help/.
- The CAO and Financial Manager will review the Gift Fund Analysis Management Oversight report in MReports for reasonableness as well as unspent balances and deficits.
  o   Report can be found in M-Reports under the Internal Controls menu within the Compliance tab to Internal Controls Other Reports/Tools to Gift Fund Analysis.
- Stewardship interactions, stewardship plans and/or logs are monitored to ensure all donors who should have received a report, did receive a report.

Other Related Information:

Key Contacts:

- Gift and Records Administration
  o   Gift and Records Help Line: 734.647.6179 Toll Free 888.518.7888
  o   Development Services Help Line: 734.647.7777
  o   Development Services Help Site: http://services.dev.umich.edu

- o GRA Help Site Page: http://services.dev.umich.edu/index.php?base=team&page=gra
- o SMTD Development Office: 734.647.2035
- o DevNet (Development Intranet): http://devnet.umich.edu.
- o Email (General Gift Info): umgift@umich.edu.
- o Email (Securities): umgiftsec@umich.edu.
- o Email (Matching Gifts): umgiftmatch@umich.edu.

- Office of University Development: (734) 647-6000
  - o https://leadersandbest.umich.edu/page.aspx?pid=446

- Development Legal Services: (734) 647-6095
  - o http://ogc.umich.edu/practice-areas/giving-bequests/

- Financial Operations - Accounting Services:
  - o http://www.finance.umich.edu/finops/accounting/contact

- ITS: (734) 764-4357 or 4help@umich.edu
  - o http://its.umich.edu/help/