

# DEPAUL UNIVERSITY

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## Gifts or Donations from the University to External Parties

**Category:** Financial Affairs

**Responsible Department:** Financial Affairs

**Responsible Officer:** Controller

**Effective Date:** 04/04/2018

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### Policy Summary

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This policy explains the requirements and approvals needed to provide gifts or donations to external parties using university funds or property.

Grant funds may not be used as charitable contributions, unless the contribution is specifically allowed by the grantor. Contact Restricted Accounting in Financial Affairs for additional information.

Refer to the [Prizes, Gambling Events and Wagering](#) policy for prizes awarded by the university to an employee or external party.

Refer to the [Gifts to Employees](#) policy for gifts provided by the university to an employee.

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### Scope

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This policy affects the following groups of the University:

- Executive Offices
- Budget Managers
- Vice Presidents
- Deans

This policy affects all members of the above groups.

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### Policy

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#### A. Policy Statement

The university, as a tax-exempt organization that normally seeks donations from outside sources, does not generally provide gifts or donations to external parties. However, from time-to-time, gifts

or donations may be provided to outside tax-exempt or charitable organizations or other external parties when such gift or donation will:

- benefit the university,
- further the university’s mission, or
- further the university’s role as a good community citizen.

Consideration should also be given to the recipient entity, the alignment of their values with the university’s own institutional values, and the appropriateness of making such gift or donation.

The term “external parties” does not include university affiliated student groups or organizations. Donations to these groups may be made with the approval of the appropriate budget manager.

**B. Types of Gifts and Donations, Method, and Authorization**

Gifts or donations from the university to an external party must be handled as follows:

Type and Description	Required Payment Method	Required Approval
<b>Cash</b> – Gift or donation to an external party that is not in consideration of a return benefit that has been or will be received.	– Payment via Accounts Payable.	– Administrative/Academic Officer for amounts between \$75 and \$5,000. – Executive Officer for amounts greater than \$5,000.
<b>Non-cash</b> – Gift or donation to an external party that is not in consideration for a return benefit that has or will be received. For example, floral arrangements or a food/gift basket provided to an external party with university funds.	– Payment via Accounts Payable or ProCard.	– Administrative/Academic Officer for amounts between \$75 and \$5,000. – Executive Officer for amounts greater than \$5,000.
<b>Sponsorships</b> – Funds for which the university receives return benefit, such as tickets to a luncheon, dinner, fundraising event, public recognition in the form of an acknowledgment or advertisement.	– Payment via Accounts Payable or ProCard.	– Administrative/Academic Officer for sponsorship of individual tickets \$500 or less, or tables \$5,000 or less. – Executive Officer for sponsorship of individual tickets greater than \$500 and tables greater than \$5,000.

<p><b>Used Equipment</b> – Equipment that is no longer usable for university purposes, as defined by and donated in accordance with the Salvage of University-Owned Equipment policy.</p>	<p>– Physical delivery</p>	<p>– Administrative/Academic Officer – Procurement</p>
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**C. Donation Acknowledgement Letters from Organizations**

All letters received by the university that acknowledge receipt of a university donation should be forwarded to University Tax Services to facilitate and document donations that may be deductible from the university’s unrelated business income tax return. Please send correspondence to Dave Soria, Tax Director, Financial Affairs, [dsoria@depaul.edu](mailto:dsoria@depaul.edu).

**For Consideration to the International Anti-Bribery and Corruption Laws Compliance Policy**

**D. Gifts to Foreign Officials**

Gifts to “Foreign Officials”, as defined in the [International Anti-Bribery and Corruption Laws Compliance Policy](#), are strongly discouraged and may not be cash or cash equivalents.

Employees should proceed carefully with interactions with “Foreign Officials” (as defined in the [International Anti-Bribery and Corruption Laws Compliance Policy](#) due to the increased risk for violations of US Federal and local anti-corruption laws. Bribery of Foreign Officials is against the law in every country and often carries criminal penalties for both the employee and the organization. See the [International Anti-Bribery and Corruption Laws Compliance Policy](#) for additional information.

To obtain university approval, gifts to Foreign Officials over \$75 must meet the following criteria:

- The gift is not cash, a cash-equivalent (e.g. a gift card), lavish or extravagant. Examples of appropriate gifts include seasonal gifts, consumable products, and mass-produced products bearing a DePaul logo. Examples of inappropriate gifts include luxury goods, expensive alcohol, any form of medication, any item that is unlawful to purchase or sell, premium items, collectibles, artwork, antiques, one-of-a-kind items, high fashion, jewelry, and expensive electronics.
- The Foreign Official has not requested the gift.
- The gift is not provided immediately before or after the submission of a public offer or proposal, or while regulatory approvals or decisions are pending, when the recipient or his/her agency might have a role or influence in the evaluation, selection or administration of a tender, contract or other approval or decision.

If not otherwise evident in the payment request documentation (e.g. the invoice or voucher payment requisition form), the requestor must document that each of the criteria is met to enable the

approver to determine if approval is appropriate. See Section V. Procedures for additional details.

## **E. Donations to charitable organizations organized outside the United States**

Employees should proceed carefully with donations to charitable organizations organized outside the U.S. due to the increased risk for violations of U.S. Federal and foreign local anti-corruption laws. The university must consider the intended recipient organization's relationship to any Foreign Officials, (as defined in the [International Anti-Bribery and Corruption Laws Compliance Policy](#)). To obtain university approval, gifts to organizations organized outside the U.S. that are related to Foreign Officials must meet the following criteria:

- The donation must be permitted under foreign local law, and DePaul must legally be permitted to make the donation. In appropriate circumstances, it may be advisable to obtain a written legal opinion from reputable local counsel.
- DePaul must have a legitimate reason to make the donation (e.g., supporting the local community or supporting educational opportunities), and the reason for the proposed donation must be documented. The donation cannot be for the purpose of securing an improper commercial or other advantage.
- The donation must not directly, or indirectly, personally benefit a person with whom DePaul has a commercial or business relationship.
- Payments must be made directly to a legitimate and duly organized charity, not to individuals or to the organization's representatives or intermediaries. All donations must be paid into the lawfully organized bank accounts of the organization, in the country where the supported activity takes place, and not through accounts held by third parties, or in third countries. As a result, payments must be made by wire; payments may not be made in currency or with a university ProCard.

If not otherwise evident in the payment request documentation (e.g. the voucher payment requisition form), the requestor must document that each of the criteria above is met to enable the approver to determine if approval is appropriate. See Section V. Procedures for additional details.

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## **Procedures**

### **Approval**

This policy requires that university departments (1) obtain pre-authorization from the department's Academic or Administrative Officer for cash or non-cash gifts or donations greater than \$75 using the [Gifts and Prizes Pre-Authorization Form](#) and copying the Controller's Office, and (2) report recipient information to the Controller's Office using the [Gifts and Prizes Reporting Form](#).

### **Gifts or Donations Processed through Accounts Payable**

Payment requests require supporting documentation consistent with routine payment processing, including the approved Gifts and Prizes Pre-Authorization form. See the [Payments to Vendors, Service Providers and Other External Parties](#) policy for procedures related to payment request documents.

## **Gifts or Donations Made Using a ProCard**

ProCard purchases require supporting documentation consistent with routine payment processing, including the approved Gifts and Prizes Pre-Authorization form. See the [Procurement Card](#) policy for procedures related to ProCard payments and receipts.

NOTE: Use of the ProCard for payment of donations to charitable organizations located outside the United States is prohibited. Payment must be made via wire transfer.

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## **Divisional Collaborations**

Office of the General Counsel

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## **Contact Information**

**Controller**

312-362-6727

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## **Appendices**

[Procurement Card Policy](#)

[Payments to Vendors, Service Providers and Other External Parties Policy](#)

[International Anti-Bribery and Corruption Laws Compliance Policy](#)

[Gifts and Prizes Pre-Authorization Form](#)

[Gifts and Prizes Reporting Form](#)

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## **History/Revisions**

Origination Date: 03/07/1991

Last Amended Date: 04/04/2018

Next Review Date: N/A