



Cash Disbursements – General Guidelines

The USM Foundation processes disbursements weekly. All disbursement requests received by the USM Foundation Business Office **by 1:30pm Thursday** will be included in the weekly disbursement batch. Disbursement checks are mailed to vendors by the following Wednesday.

Please complete the disbursement request form in its entirety. Our disbursement policies and procedures parallel IRS regulations. Therefore, if the disbursement request form is incomplete or is missing supporting documentation, we will notify you promptly so that you can provide the information needed to meet our requirements. To avoid unnecessary delays, please refer to our “send-back” checklist for guidance when preparing your disbursement request to ensure you submit all of the required information.

- It is important that you provide a **detailed explanation of the purpose** for which you are requesting a disbursement so that there is no doubt that the expense is legitimate and that it provides a direct business benefit. Explanations cannot be vague and the business benefit must be explicitly described and cannot be implied.
- Your disbursement request form must be signed by two persons – a requestor and an approver. **The approver must be listed as an authorized approver on the account agreement form** and the approver should not report to the person requesting the disbursement.
- **Original documentation** is required for all expenses exceeding \$25.
- Invoices and receipts must be **itemized**.
- For **travel and entertainment expenses**, supervisory approval is also required.
- **Meal** expenses are reimbursable when food and/or beverages are provided for other persons for business purposes but cannot be lavish or extravagant. The USMF Board set a limit of \$25 per person for breakfast and lunch and \$75 per person for dinner. If you think an exception is warranted, please provide a written justification and we will consider your request.
- Requests for **entertainment and meal expenses** must include the names of those in attendance and their relationship to the institution.
- Please provide a self-addressed **envelope** for University checks that need to be mailed.
- Generally, meals for a spouse will not be reimbursed unless there is a legitimate business purpose for his/her presence (i.e., entertaining a donor whose spouse accompanies him/her when the presence of the employee’s spouse is considered helpful to the fundraising effort.)
- For **check requests over \$100,000**, Board approval is required prior to issuance.

Questions? Please call our office, we are happy to help.



Cash Disbursements -- Unallowable Expenses Checklist

Because IRS regulations are strict, there are certain expenses that we **cannot** pay from USM Foundation funds. Although not all-inclusive, this checklist should provide helpful guidance.

- Personal expenses (i.e., meals, room, travel for a spouse or family member, or when the expense was not incurred for a bona-fide business purpose);
- Payments for flowers or gifts for weddings or the birth of a child as this is considered personal;
- Purchase and/or maintenance of equipment located at home or other off-site location without the express approval of the Chair, Dean, or Vice President;
- Political contributions, including the purchase of tickets to attend a fundraiser;
- Questionable items (i.e., those not in compliance with policies, grant requirements, donor restrictions or expenses that may give the perception of the misuse of charitable funds);
- First class airline tickets for any travel;
- Business class airline tickets for domestic travel, but may be purchased for international travel if approved in advance;
- Loans to university employees, other than students, as part of a financial aid package;
- Payments of fines (i.e., parking tickets), penalties or finance charges;
- Donations to other charitable organizations, unless it is a de minimis (under \$50) amount given as an expression of condolence or sympathy;

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