

COMPREHENSIVE DISBURSEMENTS POLICY FISCAL C.1

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I. INTRODUCTION

Purpose

The Comprehensive Disbursements Policy is a guide for colleagues who incur charges and/or travel for authorized Foundation business. The provisions of this policy are intended to ensure that all such expenditures align with donor intent, if applicable, and that they ultimately support achieving the LSU Foundation's sole purpose: to provide philanthropic support to LSU.

Applicability and Responsibility

This policy applies to LSU ("University") and LSU Foundation ("Foundation") employees, staff, students, vendors, or other affiliates ("Affiliates") who incur charges and/or travel for authorized Foundation or University business. Affiliates are expected to be prudent and exercise good judgment when incurring costs. All expenses submitted must be documented appropriately, include receipts, and comply with this policy.

Accountable Plan

The Foundation has adopted an "accountable plan" that meets IRS regulations. As such, reimbursements are not subject to state or federal taxation. Affiliates are expected to substantiate all expenses within 60 days of incurring an expense or completing a trip.

II. AUTHORIZATION AND SIGNATORIES

University beneficiary units are authorized to request expenditure of Foundation funds, subject to review and prior approval by first the appropriate dean or major unit director, or their authorized designee(s), and then the Foundation's Chief Financial Officer or his/her designee, in accordance with any approved donor restrictions and the provisions of the Uniform Affiliation Agreement.

All check requests and credit card expense reports ("Expense Reports") must be submitted by the Affiliate or his/her designee and approved by a person with signatory authority for the Foundation funding source ("Approver"). By submitting the expense, the Affiliate and all Approvers acknowledge that they are familiar with the disbursements policy and that all the expenses are reasonable, appropriate, and comply with Foundation policies, the Uniform Affiliation Agreement, and IRS laws.

Affiliates are accountable for their Expense Report even though the Affiliate may delegate responsibility for preparing the Expense Report to someone

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else (e.g., staff assistant). In all cases, the Affiliate must approve the Expense Report.

Approvers also ensure that the accounting information provided is accurate, there is sufficient funding available to pay the costs, and receipts are provided. Approvers should request further documentation or justification for any expenses that appear to be excessive or unusual and include that explanation or information with the Expense Report. Additionally, if expenses are to be charged to a college/departmental Foundation fund, permission to charge the fund must be obtained from the person with signature authority for the fund and must accompany the Expense Report. Please note that responsibility for conformity to this policy and its associated requirements rests with the Affiliate and the Approver.

One of the following officers of the LSU Foundation may sign checks and authorized electronic payments to be disbursed in amounts less than \$50,000 manually or with a signature facsimile: President and Chief Executive Officer, Chief Financial Officer, and Vice President & General Counsel. Checks and electronic payments for \$50,000 or greater must be manually signed by two of the individuals listed. The Chief Financial Officer is authorized to execute any and all documents required to carry out the policy provisions outlined in this section.

Advance Approval Requirements

Expenses in the following categories require advance approval as indicated below:

- Faculty/staff awards > LSU Human Resources office
- Printing items that include LSU logo (regardless of funding source) > subject to PS-10 and must be approved by LSU Strategic Communications via approvals@lsu.edu
 - Examples include but are not limited to stationary, brochures, signage, table throws, etc.
- Promotional items that include LSU logo (regardless of funding source) > subject to PS-93 and approved by LSU Trademark Licensing office
 - Examples include but are not limited to t-shirts, mugs, keychains, plaques, etc.

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- Maintenance, repairs, and alterations to University property > LSU Office of Facility Services
- Student awards/gifts, etc. > LSU Financial Aid and Scholarships office
- Expenses for student athletes > LSU Compliance office

III. DISBURSEMENTS

A. DISBURSEMENT METHODS

The primary mechanisms of disbursement include:

1. check request form
2. corporate credit card program
3. "BG accounts" within LSU's Workday system, to be reimbursed via Foundation autobill process

B. GENERAL DISBURSEMENTS

All disbursement requests must clearly document the business purpose of the payment and should indicate that the payment complies with the purpose designated and terms and conditions established by the donor, as well as the policies and procedures established by the Foundation. All disbursement requests must also comply with the provisions of the Uniform Affiliation Agreement. These requirements apply to requests for disbursements by the Foundation, as well as to disbursements by the University that are expected to be subsequently reimbursed by the Foundation using funds from beneficiary accounts. Expenditures made by the University that are expected to be reimbursed by the Foundation are also subject to University and state guidelines and regulations.

C. CONTRACTUAL REQUIREMENTS

Refer to the Transactional Authority Policy for information regarding requirements for contracts and signature authority. As a reminder, LSU contracts may be funded with beneficiary funds held by the Foundation (by direct vendor payment or by reimbursing LSU); it is not necessary for the Foundation to execute a contract on behalf of or in lieu of the campus beneficiary unit.

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D. TRAVEL AND ENTERTAINMENT EXPENSES

The Foundation will fund actual travel and entertainment expenses that are incurred by Foundation employees, including University employees assigned to the Foundation, as well as those incurred by University beneficiaries, unless such reimbursement is in conflict with donor intent or is otherwise prohibited by donor restrictions, the Uniform Affiliation Agreement, or other applicable policies and regulations. This policy also applies to other Affiliates who travel with the expectation that a portion or all of that travel will be funded by the Foundation.

Business Purpose and Justification

Requests for travel reimbursement must include documentation of the dates traveled, purpose of travel, travel destinations, and receipts, except as noted in this policy. Requests for entertainment reimbursement must include a statement of the business purpose of the activity, the date and location of the function, the names and associations of the individuals in attendance, and receipts. For large-scale functions, such as receptions, an approximate number of persons attending and a general description of the group attending will be sufficient.

Except under documented extenuating circumstances approved by the President and CEO, all air travel shall be by coach class or equivalent, and expenses for lodging, ground travel, and meals must be deemed reasonable and appropriate under the applicable circumstances

Meals

If receipts are not provided for meals, reimbursement to travelers will be limited to the standard University meal allowance rates, as published by the University Office of Accounting Services in PM-13.

Alcoholic beverages are *not* an allowable expense at events which include *only* LSU and Foundation employees and students. Any deviation from this policy requires written approval by the relevant University or Foundation administrator(s) [i.e., the person who has appropriate authority to approve the event expenses, as well as 1.) the LSU Office of Academic Affairs if a BOR-matched account is involved or 2.) a representative from the LSU Office of the President for all other accounts]. Should the expense be approved, Affiliates should remember that they are ambassadors of the University and Foundation and are expected to drink responsibly.

Ground Transportation/Mileage

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The Foundation follows mileage rates published by the University Office of Accounting Services in PM-13.

Spouse/Family Expenses

Requests for the reimbursement of expenses on behalf of a family member or spouse of a University employee require documentation as to the direct benefit provided to the University by the expense, are subject to the approval requirements of the Uniform Affiliation Agreement, and are provided to the University payroll office for determination of any additional reporting requirements. A spouse's expenses can be paid as part of bona fide business entertainment when determined by the applicable Approver (see "*Authorization and Signatories*") to be necessary and with a clear business purpose, rather than a personal or social purpose. If a spouse's expense is deemed personal in nature, it will not be reimbursed.

Travel Advances

The Foundation does not provide travel advances.

Moving and Relocation Expenses

Disbursement requests for moving and relocation expenses on behalf of University employees are described in PM-69 and, as issued and revised by the University, require the approval of the LSU President.

E. BOARD OF REGENTS SUPPORT FUND MATCHED CHAIRS AND PROFESSORSHIPS

All Board of Regents matched chair and professorship holders must be approved by LSU Human Resource Management and the Office of Academic Affairs. All expenditures should adhere to all programmatic and policy guidelines set forth by the Louisiana Board of Regents. Expenditures also require approval by the current chair or professorship holder and are *not* allowed on vacant chair and professorship accounts.

Expendable balances for Board of Regents matched chairs and professorships are tracked by the Foundation. For each Board of Regents matched chair and professorship, the Foundation maintains an appropriate split of funds between the state and private accounts associated with that chair or professorship. In addition, Board of Regents policy mandates that any balance carried forward from a spendable account into the next fiscal year cannot exceed 25 percent of the chair's or professorship's total market value.

F. FLOWERS AND SIMILAR GIFTS

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The use of private funds (such as Foundation funds) to pay for flowers and similar gifts for public servants (including University employees) on occasions such as surgery, illness, or the birth of a baby violates the Louisiana Code of Governmental Ethics ("Ethics Code"). The Ethics Code does allow the following exception: private funds can be used to send flowers to a public servant (including University employee) upon the death of a member of that employee's immediate family only, provided that the cost of the flowers does not exceed \$200. Alternatively, a donation of \$200 or less may be made to a charitable organization in memory of the employee's immediate family member.

G. RETIREMENT AWARDS/GIFTS

Artwork, flowers, gift cards, and the like are considered "things of value" and cannot be given to or received by a current public servant (in this case, a University employee) in connection with the performance of his/her public duties prior to retirement from the relevant position.

A retirement gift may only be given following an employee's official separation from the University. Retirement awards/gifts for those who have separated from the University should directly reference, identify, or promote LSU or one of its colleges or units. Examples include commemorative items, such as paperweights and pen sets inscribed with an LSU logo, as well as framed art prints of an LSU theme or facility. The gift item should be of a reasonable and an appropriate value, not to exceed \$500, in consideration of such factors as years of service provided to the University by the employee, as well as the nature of the University position held.

H. UNIVERSITY DISALLOWED EXPENSES

Certain limitations apply to expenditures of University funds for travel and entertainment. For this reason, travel and entertainment by a University employee for the benefit of the University may potentially be funded in whole or in part by Foundation funds, subject to donor restrictions, where applicable. In such cases, any reimbursement requests are first made in accordance with applicable University procedures. Beneficiaries are notified of any items disallowed by the University because of restrictions on the use of state funds and may subsequently request reimbursement from the Foundation for those expenditures. Such requests must be submitted for payment to the Foundation with all appropriate supporting documentation related to the expense and either 1.) an Expense Report printout from

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the University's Workday system, showing the disallowed amount or 2.) an email from LSU Accounting Services office, verifying the disallowance.

IV. CORPORATE CREDIT CARDS

The Foundation corporate credit card program is intended to provide convenience and efficiency for both Foundation employees and employees of the University. The corporate credit card program is one of three methods of disbursing private funds.

Authorization to Secure a Foundation Corporate Credit Card

- LSU employees and Foundation employees assigned to University beneficiary departments
 - The dean/unit director or his/her designee can approve the initial request for the issuance of the Foundation corporate credit card.
- Foundation employees housed in the Center of Philanthropy
 - The respective executive team member can approve the request for the issuance of the Foundation corporate credit card.
- All approved requests are submitted to the accounts payable manager, within the CFO's office, for final approval.
- The preferred method to request a Foundation corporate card is by submitting a JIRA ticket:
 - Direct link: <https://jira.lsufoundation.org/servicedesk/customer/portal/13>
 - Foundation website www.lsufoundation.org/resources > JIRA Team Services Desk > Financial Services
 - Financial Services Help Desk section in Advance

Authorized Use of Card

Foundation credit card activity must be limited to appropriate business expenses approved by both the authorized cardholder and Approver and for which an available funding source has been identified. The cardholder is also expected to adhere to all aspects of this policy, which is provided upon issuance and available at www.lsufoundation.org/resources. **Personal use of the card or unauthorized use of the card is prohibited.**

Cardholder Responsibilities

It is the cardholder's responsibility to keep the card secure at all times; follow procedures for submitting supporting documentation, per guidelines provided to cardholder at time of card issuance; and secure approvals in a timely manner, according to deadlines provided by Foundation's accounts payable department.

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Cardholders are required to notify the issuing bank immediately if the following occurs as well as to report the incident to the accounts payable manager for determination of next steps in resolving card-related issues:

- lost/stolen card
- fraudulent activity/disputed charges

Cardholders are required to notify the accounts payable manager immediately if separation of employment from the Foundation or LSU occurs.

Approver Responsibilities

The approver of the cardholder's expenses ("Approver") will be the respective dean/director or his/her designee when beneficiary funds are utilized. For all other sources of funds, the respective Foundation executive-level team member. The designated approver for the cardholder certifies that, to his/her knowledge, funds were expended for the purposes designated by a donor, if applicable, as well as per the applicable policies and procedures established by the Foundation and all applicable university policies; this includes but is not limited to those outlined within the Uniform Affiliation Agreement, as well as the Louisiana Code of Ethics, the latter applying when public employees are involved.

Monthly Statement and Documentation Submittal Process

The Foundation uses a cloud-based card-management program, Concur, accessible at www.concursolutions.com. The Foundation provides appropriate training to cardholders when a card is issued. Credit card expense reports are due monthly via Concur. Each cardholder receives a monthly email notifying him/her of the due date and providing a statement that lists the expenses for inclusion in the reconciliation report. All related expenses for this period must be submitted and approved electronically through Concur by the designated due date provided.

Compliance Monitoring

All cardholders will certify, upon card issuance, compliance with all applicable policies put forth by the Foundation. Noncompliance with applicable policies and procedures may result in revocation of the credit card at the Foundation CFO or President and CEO's discretion.

V. PURCHASING AND PROCUREMENT

The Foundation will apply purchasing procedures, set forth as follows, to ensure that goods and services are purchased under terms and conditions that are in the best interests of the Foundation and the University and are deemed by the Foundation to be in accordance with prudent business practices. In addition to these procedures,

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University and State purchasing policies apply to purchases made directly by the University and subsequently reimbursed by funds from a Foundation beneficiary account.

All equipment and other tangible property purchased by or donated to the Foundation is considered property of the Foundation for its own use or use by the beneficiary unit, regardless of changes in personnel or the employment status of University faculty and staff. The Board of Directors, at its discretion, is able to donate, or otherwise transfer ownership of, any of the equipment or other property it owns. Pursuant to LSU policy, it is the general policy of the Board of Directors to immediately transfer to the University any furnishings, equipment, and other applicable gifts-in-kind donated to or purchased by the Foundation for the University's use.

Goods and services purchased using donor-restricted funds must be purchased in strict accordance with donor purpose and intent. Requests to purchase will be approved only if the item(s) purchased is for the benefit of the Foundation or the University.

Written quotations must be obtained from three qualified vendors for purchases of items with a value exceeding \$50,000. The most advantageous bid to the Foundation should be accepted, taking into consideration such factors as price, terms and conditions, conformity to specifications, availability and level of support, and cooperation from the bid respondents. Reasons for acceptance of the bid should be well-documented, be attached to the written quotations, and accompany the check request or alternate payment request submitted for processing. Any exceptions must be approved by the Foundation's CFO or his/her designee.

For movable property not immediately transferred to the University when donated or purchased, Foundation inventory control numbers will be assigned in a timely manner to items with value in excess of \$5,000. On an annual basis, the Foundation will document that inventory control records have been verified by University beneficiary custodians, and corrective action will be taken as necessary when discrepancies are indicated in the process.

The Foundation will adhere to all regulations and reporting requirements established by the Internal Revenue Service regarding the receipt and subsequent sale, or disposal otherwise, of donated equipment and property. Account administrators who wish to dispose of Foundation equipment, other than equipment with little or no current value, should obtain written documentation of offers to purchase, which should then be submitted to the CFO, along with a written request specifying the recommendation of the beneficiary unit. The CFO will give due consideration to the recommendation of the

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department and will forward the request to the Board of Directors for consideration if the transaction value exceeds \$50,000. Equipment and property may be transferred among beneficiary units provided such a transfer is not in conflict with donor intent or otherwise prohibited by donor restrictions.

VI. OPERATING FUNDS BUDGET

An annual operating funds budget is prepared by the office of the CFO, on behalf of the President and CEO, and presented to the Foundation Board of Director's Finance Committee for review, approval, and recommendation to the Board of Directors for final approval at the last meeting prior to the beginning of each fiscal year, or as otherwise determined by the Board.

The President and CEO and CFO are authorized to spend funds in the approved annual operating funds budget. Actual expenses in excess of budget for any line item or new operating or budgetary commitments must be offset by excess budget in other line items. Exceptions to this provision for operating expenses must be approved by the Board of Directors.

The Foundation operating funds budget supports professional salary expenses for development professionals, centralized development efforts, legal, accounting and investment functions, communications, human resources, and other related development support activities; travel and entertainment expenses relating to donor events and donor cultivation; other professional services relating to management of our investment portfolios; audit costs; software, maintenance, and support costs; training; and other general office expenses to support the operational needs of the Foundation in carrying out its mission.

The President and CEO, the CFO, or their designee(s), may approve operating expenses that they so deem to be in the best interests of the Foundation and in compliance with donor directives and the policies and procedures established by the Board of Directors.

VII. RESOURCES

A copy of this Comprehensive Disbursement Policy, as well as related forms and documents, can be accessed at www.lsufoundation.org/resources.

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History:

Adopted February 23, 2018

Amended September 4, 2020

Amended November 10, 2023

Section III, Subsection F, Flowers revised October 1, 2025 per Ethics Code amendment