

# **Procedure for Foundation Support of University Employees**

**Effective Date of Procedure:** January 2013

## **Overview and Purpose**

The Foundation receives various funds to supplement and support University employee's compensation. In order to comply with IRS regulations and ensure appropriate reporting, all payments of salary and fringe benefits must be paid through the Payroll Office of the University. The Foundation will transfer the funds and the "special pay" request to the University for processing.

Such payments include:

- Assistant Coaches
- Awards
- Cell phone payment or stipend
- Cars – leased or purchased
- Article submissions
- Honorarium
- Musical performance
- Orchestra management
- Photography
- Presidential & Executive benefits

## **Scope**

- Accounting
- Budget
- Human Resources
- Payroll
- UMW Foundation

## **Procedure Detail**

End user department will complete a Request for Foundation Funds and submit to the UMW Foundation. The user should include the UMW matching portion of FICA (7.65%) in the calculation. The request form must specify the amount being paid to the employee and the amount of the UMW matching FICA (7.65%) associated with the payment. If the matching FICA portion is not included the operating budget will absorb the FICA match.

The Foundation upon receipt of requests will verify if the payee is a University employee using email searches and contact with the Payroll Office. If the request is identified to be for an employee, the Foundation will not make the payment to the payee.

The Foundation will change the payee to the University and cut a check. The Foundation will provide the check and a copy of the Request for Foundation Funds to the Payroll office.

Payroll will scan the Request for Foundation Funds and email the request to Human Resources. Human Resources will review and make the appropriate updates in PMIS and/or Banner. HR will send Payroll a copy of the request for Foundation Funds signed by HR as authorization to pay the employee. Depending on the type of payment, HR may also be sending a PMIS or Banner screen print.

Payroll will process the payment upon receipt of the request form signed/approved by HR and will scan a copy to Budget if there is unreimbursed employer FICA.

### **Creation and Approvals**

This procedure is issued by Payroll and approved by the *Associate Vice President for Finance and Controller; April 30, 2013.*

### **Revision**