

# The LSU Health Sciences Center Foundation

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The LSUHSC Foundation was established in 1988 with the following mission:

- To promote and support, direct or indirectly, the educational, scientific, and charitable purposes of the L.S.U. Health Sciences Center.
- To receive, hold, invest, and administer contributions and other property.
- To serve as fiduciary agent with respect to held, invested, or administered funds.
- To make expenditures to, or for the benefit of, the Health Sciences Center.

The LSUHSC Foundation is a gifts foundation and is limited to receiving gifts. Grants, contracts or other agreements that are not gifts must be received by and accounted for by LSUHSC Sponsored Projects and/or the School of Medicine. The Foundation exists to support Health Sciences Center and its mission of Education, Research, and Patient Care. The Foundation primarily receives its funds from donors who wish to support the Health Sciences Center. Significantly fewer restrictions are placed on the expenditure of Foundation funds, particularly in contrast with state funds. The Foundation is only authorized to accept donations that are consistent with the mission statement of the Foundation. All funds accepted by the Foundation must be consistent with this basic concept. There can be no direct cause and effect relationship involved in the acceptance of funds by the Foundation. The Foundation will not accept any contribution if there is a requirement, either in writing or implied, from the donor that specific services be performed by anyone associated with the Foundation or LSUHSC in order to receive the gift. (ie, report of activities generated from gift)

The Foundation has status as a public charity under section 501(c)(3) of the IRS code. Accordingly, donations received by the Foundation are deductible by the donor as a charitable expense for income tax purposes. In return, IRS regulations require that such funds are used for charitable purposes. This is one reason why the Foundation is limited to making “expenditures to or for the benefit of, the Health Sciences Center”. The Health Sciences Center is deemed to be the Foundation’s sole charitable purpose.

LSUHSC and the foundation have adopted an affiliation agreement which broadly governs the relationship between the university and the foundation and it is posted here:  
<U:\Finance & Administration\Foundation Forms and Procedures>.

### **FOUNDATION ACCOUNTING PROCESSES AND PROCEDURES**

The request to establish an account in the Foundation shall be accomplished by completion of the request for new foundation account form. This form indicates the suggested name of the account as well as the fund type, purpose, guidelines, and intended use of the funds. It is important to recognize that once the fund type, purpose, guideline, and intent is established they can not be altered without the expressed written consent of the donor(s) and action of the Foundation board. All subsequent donations to the fund will be sent to the Chief Financial Officer of the Foundation who will establish procedures for the proper management of the funds. The foundation deposit slip will be used to document all funds transmitted to the Chief Financial Officer for deposit.

Each account shall be separate for bookkeeping and recording purposes. On-line monthly statements of activity are available to the account custodians reflecting the current fund balance and any revenue or expense activity occurring during the month is posted here:

<https://www.foundation.lsuhs.edu/acctReport/login.asp>

Please contact the Foundation Accounting Office to set up an account and password.

A description of the foundation account numbering scheme is located at the end of this chapter. Departments bear the same responsibility in monitoring transactions which post to their foundation accounts as university accounts and regular review of transactions should be conducted. Accounts may be set up on the university side which debit foundation accounts. They function as cost reimbursement accounts. A department charges expenses on the school side and at the end of each month Accounting Services invoices the Foundation for the total expenses on each account. The foundation then issues a check to the university as payment for these expenses. It is the responsibility of the department to insure that sufficient funds exist in the foundation to cover any charges on the state side; there is no PeopleSoft based mechanism to insure that there are sufficient funds exist on the foundation side before allowing an expense to post to the account in PeopleSoft. All expenditures charged to the accounts on the state side are subject to all of the regular purchasing requirements of a state purchase. In addition, payments for salary are governed by the other rules discussed in this chapter.

Accounts established in the Foundation are categorized as either endowed or non-endowed.

An endowed account indicates the intent of the donor(s) to establish a corpus of funds whose principal amount (donations) cannot be compromised. In this case two accounts shall be established, one for the principal amount, the other for interest earnings relating to both the principal and interest account balances combined. The interest account will reflect these earning and be governed by the intent, guidelines and purpose statement as established for the endowed account.

The foundation has several types of endowed accounts. The primary ones are listed below:

- **Endowed Chair** accounts – begin with LSU raising \$600,000 which is matched by the Louisiana State Board of Regents with \$400,000 to make a corpus of \$1,000,000
  - Super Chair is double all of the above amounts to make a \$2,000,000 corpus
  - Corpus or Principal accounts (funds can never be expended)
    - Account numbers begin with a 1xxxxx
  - Spending accounts
    - Account numbers begin with a 3xxxxx
- **Endowed Professorship** accounts – begin with LSU raising \$60,000 which is matched by the Louisiana State Board of Regents with \$40,000 to make a corpus of \$100,000
  - Corpus or Principal accounts (funds can never be expended)
    - Account numbers begin with a 1xxxxx
  - Spending accounts
    - Account numbers begin with a 3xxxxx

The SOM policy for naming of the endowed chairs and professorships is also here:

[http://www.medschool.lsuhschool.edu/faculty\\_affairs/appointments.asp](http://www.medschool.lsuhschool.edu/faculty_affairs/appointments.asp)

A non-endowed account indicates the intent of the donor(s) to establish a fund whose principal and interest earned may be utilized in support of the original purpose, guidelines and intent of the fund. The fund will be accounted for in a single account and monthly statements of the current balance as well as revenue and expense activity will be made.

- **General Spending Accounts**
  - Account numbers begin with a 6xxxxx
  - Can be for a specific purpose or for the general support of a division such as a department

Deposits and requests for expenditure of Foundation funds must comply with the Foundations revenue and expenditure policy. The revenue and expenditure policies are approved by the Foundation Board and will be monitored by the Foundation staff and can be accessed at:

<U:\Finance & Administration\Foundation Forms and Procedures>.

Any expenditures funded by the Foundation must also follow the SOM POLICY DETAILED WITHIN THIS DOCUMENT. Expenditures funded by Foundation sources must be for the purpose of supporting the teaching, research and clinical services missions of the School. Such purpose must be clearly documented on the approval/request for reimbursement form. In addition, requests for expenditure of Foundation funds must meet documentation standards of the LSU Health Sciences Center.

The Spending accounts of the Endowed Chairs and Professorships can only be spent by the custodian of the account which is typically, the “holder” of the chair or the professorship. The funds can be spent for recruitment of candidates for the chair or professorship such as advertising for faculty to be appointed to the professorship or expenses relating to the selection of a chair or professorship holder. To become the holder of a chair or professorship, a faculty member must be nominated by their department chairman and approved by the university. Typically, the holder of a chair or professorship holds the chair as long as they maintain their faculty position with the university. Additionally, the Board of Regents provides regulations on how and to what limit funds can be spent each year. The SOM policy on naming Endowed Professorships and Endowed Chairs can be viewed at:

[http://www.medschool.lsuhschool.edu/faculty\\_affairs/appointments.asp](http://www.medschool.lsuhschool.edu/faculty_affairs/appointments.asp)

The funds held in the foundation have fewer restrictions on their use than funds held within the school accounts; regardless good judgment must be employed in their use. Several factors need to be considered, including the purpose for which monies were donated. Each transaction should be considered with the mindset “If this were my money, would I spend it this way?” and “If this transaction appeared on the front page of the local newspaper, would I still be comfortable with it?” Neighboring public universities have received a great deal of negative press from their use of foundation funds.

Health Sciences Center policy is set forth in CM-46 and may be viewed at

<http://www.lsuhschool.edu/no/administration/cm/cm-46.aspx>

Forms for Foundation transactions may be accessed at

<http://www.foundation.lsuhschool.edu/forms.asp> or

<U:\Finance & Administration\Foundation Forms and Procedures.>

### **LSUHSC FOUNDATION REVENUE POLICY (Deposits)**

The following policy should be applied to the gifts received by the LSUHSC Foundation:

- All donations should be made to the LSUHSC Foundation utilizing the correct tax id number. Checks and other types of financial instruments should be payable to either “LSUHSC Foundation,” “the Foundation for the LSU Health Sciences Center,” or directly to an individual fund within the Foundation, if the fund name is preceded by the “LSU” prefix.
- Letters of transmittal from the donor specifying the intent and purpose of the funds should accompany the funds transmittal form unless the intent and purpose of the funds are obvious from the check. In situations where letters of transmittal are impractical, donor cards or similar appropriate instruments may be substituted. In cases where the donation is not made in the Foundation’s proper name, or directly to the fund

account's name, some form of documentation expressing the donor's intent must accompany the Funds Transmittal Form indicating that the funds were meant for the Foundation and/or a program functioning within the Foundation.

In no case shall funds payable to the University be accepted by the Foundation. The Foundation is not a part of state government and has not been authorized by the University or the State of Louisiana to accept funds that are construed to be the property of the University or any of its organizational units.

The deposit procedure has three distinct steps;

- Deposit is initiated.
- The intent of deposit is verified.
- Foundation deposits the funds into the proper account.
- Foundation will send thank you letters to donors if appropriate.

A brief explanation of each step is given below should the department receive the donation directly:

### **Department Initiates Deposit**

A Deposit Slip is completed. The check (s) from the donor (s) and letters of intent are attached to the Deposit Slip and sent to the SOM Dean's office.

### **Verification of Intent**

The SOM receives the completed Deposit Slip, the donor's check and the appropriate documentation from the department. If the check or documents correctly identify the intent for deposit in the foundation, (ie, pay to the order of "LSUHSC Foundation" or "The Foundation for LSU Health Sciences Center" or "Department of X, Endowed Chair Fund") the completed Deposit Slip and check are sent to the Foundation for deposit. If the check is made out incorrectly, the Deposit Slip and check are returned to the department. The department can get a letter of intent from the donor stating that their intent was to make their check payable to the LSUHSC Foundation. The Deposit Slip, check, and letter of intent will then be resubmitted to the Dean's office for verification.

### **Foundation Prepares Deposit and sends letters Acknowledging Gift**

The SOM Dean's Office delivers the Deposit Slips and check to The Foundation. The Foundation staff copies the check. The copy of the check is then attached to the Deposit Slip. The Deposit Slips are bundled together and a tape is run to total all of the Deposit Slips. A tape is run also to total all of the checks to make sure both, Deposit Slip run and check run, are equal. A bank deposit slip is filled out for the batch of Deposit Slips, and the checks are deposited into the bank. The bank issues a deposit verification slip that is attached to the bundled Deposit Slips, and the deposit batch is filed sequentially by date of deposit.

The foundation sends letters of acknowledgment of the gift to the donor.

## **SOM EXPENDITURE POLICY FOR FOUNDATION REIMBURSEMENTS**

- All expenditures incurred through the Foundation shall serve to advance the mission statement of the Foundation and shall be within the intent, guidelines and purpose as designated by the donor(s). In no case shall expenditures be contrary to or inconsistent with the established intent, guidelines and purpose of the fund.
- All expenditures must be within the available fund balance of the account charged with the expenditure.
- All expenditures must be appropriately documented by receipts. They will be reviewed and approved with a signature by the account custodian, the department head or Director if applicable, the relevant dean or his/her designee, and the Chief Financial Officer of the foundation. The approved request for payment form will be submitted to the Foundation accounting designee who will issue the check. The President of the Foundation will sign the request for payment form and the check. If the expense is over \$2,000.00, a second signature is required from a designated board member or officer.
- **Under no circumstance will purchases be of a personal nature or benefit be reimbursed.**
- **Expenditures for gifts received by any University employee may not be made by the Foundation or reimbursed. A gift is anything of value that can be sold by the individual receiving such a gift for value. Non cash awards to faculty and staff such as plaques are permitted. Students only are excluding from this policy.**
- Expenditures for the purchase of Flowers and Plants for Commemorative purposes will be allowed to incur according to the following criteria:
  - Flowers and plants should be sent only in cases of retirement, illness, or death
  - Flowers and plants should be sent to LSU Health Science employees, students, or members of their immediate families.
  - Donations of a similar value to the purchase of flowers and plants are allowed.
- All expenditure vouchers will be submitted no later than ninety (90) days after the actual transaction date or the last day of travel for expenditures relating to travel.

### **I. PAYMENT FOR THE PURCHASE OF GOODS AND SERVICES**

The account custodian will exercise due diligence in the purchasing of goods and services on behalf of the Foundation. Properly completed and approved Request for Payment

form (appendix ) supported by original receipts and other forms of appropriate documentation must accompany each request.

If payment is to an individual rather than a vendor, proof of payment made by the individual to the vendor is required. It is strongly suggested that whenever possible payments be made directly to the vendor as compared to an employee purchasing the commodity and seeking personal reimbursement for the expenditure. Cells phones paid through the Foundation must include a detail invoice and the proper certification of cell phone form.

The request for payment must clearly indicate the purpose of the purchase and how it relates to the fund being charged.

## **II. PAYMENT FOR PROFESSIONAL SERVICES AND HONORARIUM**

All payments for professional services and honorariums must reflect in specific and adequate detail the service being provided by the individual or entity. The request must also document the appropriateness of the expenditure to the account being charged. Individual's request for payment must reflect the individual's social security number and address for 1099 reporting purposes. All payments of this type will be reported to the Internal Revenue Service as 1099 income. Corporation's request for payment must include form W-9 (Request for Taxpayer Identification Number and Certification form) completed. **All LSUHSC foundation payments for Professional Services require prior Dean Approval. Payments for ongoing professional services to support the SOM operations relative to the primary mission of education, research, and patient care must be contracted through the SOM and not the Foundation unless approved by the Dean, Chancellor, and the LSU System Office.**

## **III. PURCHASE OF EQUIPMENT ITEMS**

For the purposes of this policy equipment is defined as a single item whose cost is greater than \$1,000. This would apply to items that are not a replacement or add on component of another equipment item. Equipment invoice payments and/or reimbursements shall use LSUHSC Request for Payment.

The account custodian is expected to exercise due diligence in the purchase of equipment items. Steps should be taken by the custodian to substantiate the appropriateness of the purchase. Equipment items purchased through the Foundation funds will be automatically donated directly to LSUHSC. **The Health Sciences Center Purchasing Department will be notified by the LSUHSC Foundation within 2 weeks of all such purchases for inventory and tagging purposes. All purchases of equipment in excess of \$2,000 and all Computer equipment should follow a documented competitive bid process and will require prior Dean Approval. Prudent business judgment should be utilized on all purchases to support the value of any equipment relative to the LSUSOM mission and purchase price.** At the purchase point, the University assumes control and ownership of all equipment items. Any transfer of an equipment item to another institution will be consistent with University equipment transfer policy.

#### **IV. ENTERTAINMENT**

Entertainment for faculty, staff, students, or visiting guests can be paid for with Foundation funds; however the entertainment expense shall be supportive of Foundation and Health Science Center goals and objectives. The dean of the relevant school will approve the expense. The Request for Reimbursement form shall be used to request payment for such expenditures. The form or the accompanying documentation must indicate those in attendance at the function, receipts, and general information on how the expenditure supports LSUHSC's goals and objectives. If the payment is split with a portion of the payment being reimbursed from state side accounts, copies of the direct pay request should also be included in the packet to prevent overpayment.

#### **SOM Guidelines for Approving Entertainment Expenditures without Prior Dean Approval**

##### **Faculty Recruitment, Guest speakers, and Academic/business associates**

- **Total entertainment purchases, critical to the SOM mission, per person rate from all sources of funds (excluding tax and gratuity) is not to exceed;**
  - **1.5 times the rate for dinner entertainment as set forth in CM-5 excluding tax and gratuity. (70\*1.5=\$105 per person).  
<http://www.lsuhscc.edu/no/administration/cm/cm-5.aspx>**
  - **Breakfast and Lunch limits should be appropriate**
- **The party is not to exceed twelve (12) persons (excluding students and residents) and should include only critical individuals required to support the SOM mission.**
  - **Gratuities should not be over 20%.**
  - **Itemized list of attendees must be included.**
  - **Description of expenditure support of the SOM goals & objectives must be included.**
    - **Payment of entertainment expenses under such guidelines as may be authorized by the appropriate alumni, foundation or support group.**
  - **Rates exceeding 1.5 times the CM-5 rate and other documented rates require Dean's prior approval.**
  - **SOM Dean's prior approval can be obtained via e-mail to the SOM Fiscal Office and must include the following:**
    - **The place of time of such expenditure**
    - **The cost of entertainment and why the exception is required**
    - **The reason for such expenditure relative to the SOM goals & objectives**
    - **The other agency and list of individuals being entertained**

**Team Building/Social Events (e.g. Holiday Parties, Resident and Faculty Welcome Events)**

- **Team Building and Social Events should be designed to create an environment that promotes trust, respect, esprit de corps, and teamwork. Events should be planned thoughtfully and not impart a sense of extravagance; a brief explanation of the purpose of the event must be included with the reimbursement request. The per person rate from all sources of funds (excluding tax and gratuity) is not to exceed;**

- **\$85 per event per each department faculty, staff, resident, plus one guest each.**
- **Any additional guests invited should be carefully reviewed to ensure that they have a role in the Department or help us satisfy the SOM mission.**
- **Itemized list of attendees must be included with the reimbursement request.**
- **The number of team building events scheduled during the year will depend on the academic and development demands of the department and should take into consideration the purpose or intent for which funds were donated.**
- **Gratuities should not exceed 20%.**
- **Cost overruns can be avoided by asking faculty to make contributions directly to the event. Cost overrun contributions can not be made to the foundation and are the department's responsibility.**
- **Payment of entertainment expenses under such guidelines will be authorized directly by the appropriate alumni, foundation or support group.**
- **Rates exceeding \$85 per person require Dean's prior approval.**
  - **SOM Dean's prior approval can be obtained via e-mail to the SOM Fiscal Office and must include the following:**
    - **The time, date and location of the event.**
    - **The cost of entertainment and why the exception is required.**
    - **The purpose of the event in the context of departmental or school goals and/or mission.**
    - **List of guests, and their affiliation with the department or school, being entertained.**

**Resident and Fellow Graduation Events**

- **Graduating events should be designed to recognize the achievements and commitment of our medical residents in an environment that promotes trust, respect, esprit de corps, and teamwork. Graduation events should be planned with the recognition that they are important to the morale of the department, but must be also planned to be viewed as tasteful, rather than excessive. The per person rate from all sources of funds (excluding tax and gratuity) is not to exceed**

- **\$85 per event to include**

- Department faculty members that are actively involved in resident education (more than 10 hours each week) plus one guest.
  - Non-graduating department residents plus one guest.
  - Department graduating residents plus three guests.
- Any additional guests invited should be carefully reviewed to ensure that they have a role in the Department or help us satisfy the SOM mission.
- Itemized list of attendees must be included with the reimbursement request
- Cost overruns can be avoided by asking faculty to make contributions directly to the event. Cost overrun contributions can not be made to the foundation.
- The source of funds for the graduation events should take into account the purpose or intent for which the donation was made.
- Gratuities should not exceed 20%.
- Payment of entertainment expenses under such guidelines will be directly authorized by the appropriate alumni, foundation or support group.
- Rates exceeding \$85 per person require Dean's prior approval.
  - SOM Dean's prior approval can be obtained via e-mail to the SOM Fiscal Office and must include the following:
    - The time, date and location of the event.
    - The cost of entertainment and why the exception is required.
    - List of guests, and their affiliation with the department or school, being entertained.

#### **Resident and Fellow Graduation Awards**

- Graduation awards should be kept to a limit of \$250 per resident and should be selected from a standardized list of available awards.
- All graduating awards should include representation of the LSUSOM or LSUHSC and the individual achievement.
- Graduation awards and or gifts are only given to the graduating resident. No gifts are allowed to any faculty, staff, spouse, significant other, friend, and or family member, although teaching awards can be made.
- Awards should not have any resale value.

## V. TRAVEL

Foundation for LSUHSC Travel Voucher will be used to document and detail travel expenditure reimbursements. All expenses relating to a particular trip must be included on each travel voucher. Such voucher may indicate payment directly to the individual traveler, a travel agency, or another entity as directed by the traveler. In the case where the traveler is requesting to be reimbursed expenses that exceed the rates authorized by the University travel vouchers, all accompanying receipts must be included with the Foundation reimbursement request and a copy of the payment being reimbursed from the state side accounts. In general the Foundation does not provide travel advances nor will it pay for airline tickets, hotel room deposits, or registration fees paid in advance.

The Foundation will reimburse the traveler for expenditures incurred by the traveler as they relate to and were a required expense of the travel. Such reimbursement will include, but not be limited to, airfare other forms of transportation costs, hotel room and tax charges, registration fees, auto rental, taxi charges, parking fees, and reasonable gratuities.

If the traveler is performing allowable and appropriate entertainment while on travel status he/she must follow the entertainment requirements as outlined in section IV and submit the expenditures on a separate request for reimbursement. Copy of this entertainment request for reimbursement should be included in the reimbursement packet for travel with no reimbursement of entertainment expenditures included on the travel voucher.

### **SOM Guidelines for Approving Travel Expenditures**

- Expenditures should be in line with State Travel expenses as outlined below. <http://www.doa.louisiana.gov/osp/travel/travelOffice.htm>
- Purchase of airfare outside of the state travel agency should be lowest and best fare and unable to be purchased through the state travel agency.
- **First class accommodations should be purchased only when it benefits the state and approval must be obtained in advance from the Dean's office or certification is obtained from the airline that coach tickets are unavailable. In addition a justification must be provided by the traveler explaining why alternative transportation could not be utilized.**
- Per PPM 49, Section 1504 B 2 (d) "The policy regarding airfare penalties that the State will pay for the airfare and/or penalty incurred for a change in plans or cancellation when the change or cancellation is required by the state or other unavoidable situations approved by the agency's department head". In the case of the agency department head, that will be the SOM Dean or his designee. This documentation must be included in the travel expenditure request.
- **Meals while on travel status will be reimbursed at either the state per diem rate with no receipts or at the actual documented receipt amounts up to 200% of the current Louisiana Travel Guide regulations plus gratuity not to exceed 20%. Example: Dinner Tier 4, \$25\*2.0 = \$50.00, Gratuity \*20% = \$10.00, Total Allowable = \$60.00.**

### **International Travel by Residents or Fellows**

- **All international travel requires favorable recommendation of the proposal by the SOM International Travel Committee for scholarly or academic merit.**
  - **International travel for residents and fellows should be justified by obvious educational goals and objectives.**
  - **Residents undertaking international travel must satisfy one of four fundamental criteria:**
    - **Present a paper (oral presentation) or poster at a medical, scientific, or academic meeting or Symposium.**
    - **Residents on “rotation” internationally must have arranged their experience at a hospital or academic institution supported by a formal affiliation agreement with LSUHSC School of Medicine.**
    - **Residents on “rotation” internationally must have an identified senior university faculty as a mentor who formally invites them to their hospital or clinic.**
    - **Residents on “rotation” who are not formally rotating at an affiliated institution or who are not invited by a university faculty member must provide a written proposal to the International Travel Committee succinctly outlining the planned activities, the link to their residency training, and the anticipated benefit to them as a resident and physician and to their program; this proposal is not to exceed one page in length.**
  - **Residents and fellows undertaking international travel will provide a formal presentation and, in the case of those away “on rotation, a written report to their “home” residency program following the experience.**
  
- Expenditures for Entertainment should be submitted separately from Travel Voucher.
- Without meal receipts, traveler should be reimbursed at state rates.
- **Under no circumstances will the Foundation reimburse expenses of a strictly personal nature while on travel status.**
- **Payment of non-reimbursed travel expenses actually incurred on authorized travel for LSUHSC. (If a traveler has hotel costs over travel rates approved by the state, the traveler may be reimbursed for the difference up to 1.75 times above the approved rate.)**
- Payment for use of a personal auto for University approved business will be reimbursed for mileage at the current State Rate in effect at the time of the trip. Beginning and ending odometer mileage must appear on the request form.
- **Exceptions to the SOM travel expenditure policy will require prior Dean’s Office approval through the process outlined under the SOM Guidelines for Entertainment Expenditures.**

## **SOM Guidelines for Employee Compensation on Foundation funds**

Payment of compensation to fulltime employees of the School cannot be paid directly by the Foundation. In addition, note that payment of supplemental compensation from Foundation sources requires prior Board of Supervisors approval each fiscal year and cannot cross fiscal year in accordance with section 1111A(1) of the Louisianan Code of Governmental Ethics.

Louisiana Code of Governmental Ethics (section 1111 A (1))

<http://www.ethics.state.la.us/laws/ethsum.htm>

Payment of Base Compensation on any foundation account will be allowed providing:

- Foundation Funds are being used for the intent under which they were donated
- Foundation Funds are available in the account
- Department Chair Annual Prior Approval
- SOM Dean Annual Prior Approval

Payment of Faculty Supplements on any foundation account must follow the following:

- Foundation Funds are being used for the intent under which they were donated and are available
- Foundation Funds are available in account
- Department Chair Annual Prior Approval
- SOM Dean Annual Prior Approval
- LSUHSC Annual Prior Approval
- LSU Board of Supervisor Annual Prior Approval

## **Departmental Responsibilities with Respect to the Foundation**

- Understand procedures for deposits, check requests and travel (different from state procedures)
- Generate account balance and ledgers from the foundation accounting system
- Manage accounts utilizing the rules and regulations of gifting organizations
- Generate forms to obtain approval of the Board of Supervisors to utilize foundation funds used to pay salaries for Chairs and Professorships
- Work with foundation to raise money for Chairs and Professorships
- Assist in preparation of documents to obtain Matching funds from BOR

## Appendix

Revised: November 3, 2006

### **LSUHSC SCHOOL OF MEDICINE NEW ORLEANS POLICY ON NAMING and HOLDING ENDOWED PROFESSORSHIPS**

1. Professorships are named on the basis of merit. Except in the most extraordinary of circumstances, only full-time, advanced rank (associate or full professors) candidates will be considered for an endowed professorship; logical exceptions will be made for situations in which a specific discipline or (sub) specialty is not represented by a full-time department or service in the School of Medicine.
2. A faculty member serves in his or her capacity as an endowed professor at the pleasure of the Dean.
3. Fully funded professorships (those with Board of Regents match completed), either newly created or recently vacated, are not left vacant ("open") for more than two years except under extraordinary circumstances; extended vacancies must be approved by the Dean.
4. Department heads nominate potential recipients of a professorship to the Dean.
5. Department heads may elect, but are not required, to utilize a departmental committee in the nomination process.
6. The Dean approves final nominations and forwards them to the Chancellor's Office for final campus ratification.
7. The department establishes goals, objectives, and accountability measurements appropriate for the discipline and specific professorship; and, if relevant, these are consistent with the original funding application made to the Board of Regents. Goals, objectives, and accountability measurements are submitted to the Dean's Office for approval.
8. Based on the above accountability measurements, the department periodically evaluates the progress and achievements of the recipient in the context of the established goals and objectives. This periodic review occurs no less frequently than every three years and most logically occurs in the setting of regular annual review of faculty.
9. Understanding the intent of the Board of Regents with the endowed professorship program, upon retirement or termination of full-time or active status from the School of Medicine, the professorship incumbent relinquishes the professorship and custodianship of the related LSUHSC Foundation account. The professorship is then considered "open" for the search process, even if the prior incumbent continues with a designation as emeritus professor or on the gratis faculty.

Revised: November 3, 2006

**LSUHSC SCHOOL OF MEDICINE  
NEW ORLEANS  
POLICY ON NAMING and HOLDING ENDOWED CHAIRS**

10. Chairs are selected on the basis of merit, specifically academic accomplishments and reputation.
11. A faculty member serves in his or her capacity as an endowed chair at the pleasure of the Dean.
12. Fully funded chairs (those with Board of Regents match completed), either newly created or recently vacated, are not left vacant ("open") for more than two years except under extraordinary circumstances; extended vacancies must be approved by the Dean.
13. In accordance with Board of Regents policies, a broad search, national or international, is undertaken for a chair recipient. Except in the most extraordinary of circumstances, only full-time, advanced rank (associate or full professors) candidates will be considered for an endowed chair.
14. The search is conducted by a committee, formally appointed by the Dean; the committee must include at least one member who is a nationally regarded expert from outside the LSUHSC faculty. The search committee conducts the search in concert with the description of the chair submitted to the Board of Regents for consideration.
15. The Dean approves final nominations and forwards them to the Chancellor's Office for final campus ratification.
16. The department establishes goals, objectives, and accountability measurements appropriate for the discipline and specific chair; and, if relevant, these are consistent with the original funding application made to the Board of Regents. Goals, objectives, and accountability measurements are submitted to the Dean's Office for approval.
17. Based on the above accountability measurements, the department periodically evaluates the progress and achievements of the recipient in the context of the established goals and objectives. This periodic review will occur no less frequently than every three years and most logically occurs in the setting of regular annual review of faculty.
18. Understanding the intent of the Board of Regents with the endowed chair program, upon retirement or termination of full-time or active status from the School of Medicine, the chair incumbent relinquishes the chair and custodianship of the related LSUHSC Foundation account. The chair is then considered "open" for the search process, even if the prior incumbent continues with a designation as emeritus professor or on the gratis faculty.

Summary of Foundation Accounts						
The Foundation for the LSU Health Sciences Center						
Account No.	Description	Initial Deposit Fee	Annual Management Fee	Annual Earnings	Classification	Investment Pool
1XXXXX	Board of Regents (BOR) accounts after state match	2% on private funds 0% on public funds (match)	1.25% on bal in "1" and "3" accounts, charged against earnings	Spendable earnings on "1" and "3" account posted to "3" account	Endowed	BRSF Pool
2XXXXX	General Endowed accounts (scholar, memorial, BOR priv)	2%	3% on bal in "2" and "4" accounts, charged against earnings	Spendable earnings on "2" and "4" account posted to "4" account	Endowed	General Endowed Pool
3XXXXX	Spending account related to "1" account	2%	See explanation for "1" account	See explanation for "1" account	Restricted	BRSF Pool
4XXXXX	Spending account related to "2" account	2%	See explanation for "2" account	See explanation for "2" account	Restricted	General Endowed Pool
6XXXXX	Campus restricted accounts	2%	None	None	Restricted	Restricted Pool

**FOUNDATION FOR LSUHSC**

**Request for New Foundation Account**

Date: \_\_\_\_\_

Department: \_\_\_\_\_

Person Responsible for Administering Funds: \_\_\_\_\_

Suggested Name of Account: \_\_\_\_\_

Purpose of Account: \_\_\_\_\_

Fund Type:

Endowed

Non-Endowed

Approval: \_\_\_\_\_  
Custodian's Signature

Approval: \_\_\_\_\_  
Department Head's Signature

Approval: \_\_\_\_\_  
Dean's Signature

Return to: The Foundation Office:, NOLA 70112

\_\_\_\_\_  
Chief Financial Officer



For Accounting Services Only

New Foundation Account Number: \_\_\_\_\_

Date Account Set Up: \_\_\_\_\_

**FOUNDATION FOR THE LSU HEALTH SCIENCES CENTER  
DEPOSIT SLIP**

Accounting:   
Data Entry:

Date: October 1, 2007 Prepared By: J Arseneaux  
Dept: SOM Dean's Office Phone: 504-568-2253

ALL CHECKS MUST BE MADE PAYABLE TO EITHER THE ACCOUNT NAME AND/OR THE "LSU MEDICAL CENTER FOUNDATION," OR "LSU HEALTH SCIENCES CENTER FOUNDATION." CHECKS MADE PAYABLE TO LSUMC MUST BE ACCOMPANIED BY DOCUMENTATION FROM THE DONOR INDICATING THAT THE FUNDS ARE DESIGNATED TO A FOUNDATION ACCOUNT.

ACCOUNT	DONOR	APPEAL	LETTER	GIFT	FMV/FEE	TOTAL
601114	Big Giver		x			\$1,000.00
CARD TYPE	CREDIT CARD NO.	EXP.	CHECK NO.	CHK DATE		
			2685	9/15/2007		

ACCOUNT	DONOR	APPEAL	LETTER	GIFT	FMV/FEE	TOTAL
601114	Little Giver		X			\$100.00
CARD TYPE	CREDIT CARD NO.	EXP.	CHECK NO.	CHK DATE		
			2684	9/12/2007		

ACCOUNT	DONOR	APPEAL	LETTER	GIFT	FMV/FEE	TOTAL
CARD TYPE	CREDIT CARD NO.	EXP.	CHECK NO.	CHK DATE		

ACCOUNT	DONOR	APPEAL	LETTER	GIFT	FMV/FEE	TOTAL
CARD TYPE	CREDIT CARD NO.	EXP.	CHECK NO.	CHK DATE		

ACCOUNT	DONOR	APPEAL	LETTER	GIFT	FMV/FEE	TOTAL
CARD TYPE	CREDIT CARD NO.	EXP.	CHECK NO.	CHK DATE		

ACCOUNT	DONOR	APPEAL	LETTER	GIFT	FMV/FEE	TOTAL
CARD TYPE	CREDIT CARD NO.	EXP.	CHECK NO.	CHK DATE		

1. Certification of intent attached for checks not payable to Foundation?: yes **TOTAL: \$1,100.00**

2. Acknowledge (if other than donor):

Name \_\_\_\_\_

Address \_\_\_\_\_

3. In MEMORY/HONOR of (please attach a letter from the donor):

Name \_\_\_\_\_

(If in honor of, please state occasion, ex. Birthday, retirement, anniversary)

Appendix

**FUNDS  
TRANSFER  
REQUEST**

**LSU HEALTH SCIENCES CENTER FOUNDATION**

**Date:** \_\_\_\_\_

**Department:** \_\_\_\_\_

**Contact:** \_\_\_\_\_

**Telephone No:** \_\_\_\_\_

**Purpose of Transfer:**  
\_\_\_\_\_

<u>TRANSFER FROM</u> <u>ACCOUNT</u>	<u>AMOUNT</u>	<u>TRANSFER TO</u> <u>ACCOUNT</u>	<u>AMOUNT</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

AUTHORIZATION of Account Custodian: \_\_\_\_\_  
AUTHORIZATION Department Head : \_\_\_\_\_  
AUTHORIZATION of Dean: \_\_\_\_\_

<b>Foundation Use Only:</b> <b>Date Completed:</b> _____ <b>Notes:</b> _____
--

Appendix

**CONFIDENTIAL**



## FOUNDATION FOR LSUHSC TRAVEL VOUCHER

Name of Traveler: \_\_\_\_\_  
 Meeting / Function Attended: \_\_\_\_\_  
 Dates of Travel: \_\_\_\_\_

I certify that the expenses claimed on this voucher were incurred for University business and I did not receive any reimbursement or advances for these expenses from other sources other than listed below (if applicable).

\_\_\_\_\_  
Signature of Traveler

**After processing mail check to:**

\_\_\_\_\_  
Name Box #

Justification of travel expense to fund source charged (How the trip benefits the source of funds charged):

\_\_\_\_\_  
 \_\_\_\_\_

**Detail of Expenses: Attach original bill, receipt, or request where applicable.**

- Transportation expenses to meeting site	\$	
- Hotel expense, room and tax	\$	
- Meals (Note: entertainment while on travel status should be submitted on separate voucher)	\$	
- Auto rental	\$	
- Registration fees	\$	
- Taxi or limousine	\$	
- Parking Fees	\$	
- Gratuities	\$	
- Other expenses - please explain in detail	\$	
<b>Sub - Total</b>	<b>\$</b>	
<b>Less any advances or reimbursements from other sources</b>	<b>\$</b>	
<b>Total to be reimbursed from Foundation account</b>	<b>\$</b>	

**Account Debited:** \_\_\_\_\_

**\*\* As account custodian / Department Head or Director, my signature certifies that this expenditure adheres to the scope and donor intent of this Foundation account.\*\***

Requested by: \_\_\_\_\_  
Signature of Account Custodian Date

Approved by: \_\_\_\_\_  
Signature of Department Head or Director Date

Approved by: \_\_\_\_\_  
Signature of Dean or Designee Date

Approved by: \_\_\_\_\_  
Chief Financial Officer Date

Approved by: \_\_\_\_\_  
Foundation President Date

Approved by: \_\_\_\_\_  
Foundation Officer Date

Check Number \_\_\_\_\_  
Date

Appendix

**LSUHSC FOUNDATION**

**APPROVAL OF SUPPLEMENTAL PAYMENT REQUEST**

A SUPPLEMENTAL PAYMENT IN THE AMOUNT OF \$\_\_\_\_\_ FROM  
THE LSU SCHOOL OF MEDICINE'S ACCOUNT# \_\_\_\_\_ HAS BEEN  
REVIEWED BY THE LSUHSC FOUNDATION. ADEQUATE FUNDS ARE  
AVAILABLE IN THE INDICATED ACCOUNT TO SUPPORT THE AWARDS FOR  
\_\_\_\_\_

\_\_\_\_\_  
DATE

Officer

\_\_\_\_\_

President & Chief Executive

LSUHSC FOUNDATION

## Foundation for the LSUHSC

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### **CERTIFICATION OF CELLULAR PHONE CALLS ( Required for Approval of Foundation Reimbursement)**

\_\_\_\_\_ I certify that all costs appearing on the attached cellular phone bill are in accordance with the mission of the Medical Center and the Foundation. No personal calls appear on this statement.

\_\_\_\_\_ **Personal calls appear on the attached cellular phone bill. I have highlighted each personal call and I am requesting reimbursement for only those calls that are business related.**

\$\_\_\_\_\_ **TOTAL INVOICE AMOUNT**

**Signed,**

---

Please return this form, completed and signed, with the original cellular phone invoice and completed Foundation Payment Request to Office of the Dean, Box T2-3.

Appendix

## **CM-5 Entertainment of Visitors**

August 4, 2004

Two types of guests may be entertained at University expense with authorization of the appropriate Dean or Vice-Chancellor. Those who may be so entertained are:

- a. Distinguished visitors whose presence on the campus adds quality to our programs, and
- b. Personnel being interviewed for key faculty or administrative positions.

The approved form of entertainment is a meal function at which the participants are directly involved with the visitor in serving the best interests of the University.

The party is not to exceed eight (8) persons, unless prior approval of the Chancellor is given for additional persons. Upper limit of University liability is set at \$70.00 per person.

Upon prior written justification, exceptions may be made by this Office for special reasons. Alcoholic beverages are not to be included. Such entertainment is to be once per occasion at University expense.

Signed: John A. Rock, M.D., Chancellor

If needed, please use the [Prior Approval for Entertainment Form](#).