Donations/Contributions/Scholarships

PURPOSE
The Northshore Technical College (NTC) has strong relationships with business and industry partners. Oftentimes, these relationships lead to donations or contributions from the business and/or industry partners to the NTC. Donations, contributions, and scholarships, encouraged and supported by the NTC, must be recorded properly in the financial records of the College. This policy applies to all NTC campuses and extensions.

STATUTORY REFERENCE
Moveable Property Valued at $1,000 or greater

In accordance with Title 34 of the Louisiana Administrative Code, the Division of Administration has designated the Louisiana Property Assistance Agency (LPAA) as the state agency responsible for establishing and enforcing state property regulations. The LPAA requires that all property that is valued at $1,000 or greater must be tracked with a unique inventory tag and recorded in the NTC’s property management system. This includes any donated inventory that meets the threshold.

GENERAL POLICY & PROCEDURE

A. Donations of Moveable Property

All moveable property donations must meet the following conditions:
1. be in working order;
2. usable in an instructional or administrative unit of the NTC;
3. be inspected by knowledgeable NTC personnel and recommended for acceptance prior to acceptance by the NTC;
4. be approved by the appropriate Campus Dean.
Responsibility

1. Each Campus Dean is responsible for the completion of a Donation of Moveable Property form FIN - 012 for all approved and accepted donations.

2. Each Campus Dean is responsible for ensuring that donated property that meets the LPAA regulations regarding tracking and tagging are appropriately recorded in the LPAA property management system.

3. Each Campus Dean is responsible for submitting the completed and approved Donation of Moveable Property form to the NTC Chief Business Officer for the proper recording of the donation in the financial records.

4. The NTC Office of Fiscal Affairs is responsible for recording the donated moveable property in the accounting system. The property must be recorded at its fair market value at the time of acceptance.

5. If the donated property is valued at $5,000 or more, it must be listed on the year-end capital asset spreadsheet.

6. Each Campus Dean is responsible for notifying the donor of acceptance and arranging for the transfer of the property to the appropriate NTC campus.

Accounting Entries

Moveable Property –

Valued at $5,000 or greater

  DR  Fund 74 1831 Moveable Property
  CR  Fund 74 4634 Private Grants & Gifts – Capital

Valued at less than $5,000

No accounting entries are necessary. All moveable property with a value of $1,000 or greater must be tagged and entered into the LPAA property management system.

B. Monetary Donations or Contributions

1. Individuals, businesses, or companies that desire to contribute monetary amounts to the Northshore Technical College must document their intended use of the funds through a letter/memorandum to the appropriate Campus Dean or Regional Director or by completion of the Donated Funds form FIN - 011.

2. Each Campus Dean is responsible for ensuring that the donated funds are spent in accordance with the donor’s wishes as documented by the letter/memorandum or
by the completed Donated Funds form. The Office of Fiscal Affairs should also ensure that the donated funds are spent in accordance with the donor’s wishes as documented by the letter/memorandum or by the completed Donated Funds form.

3. Each Campus Dean is responsible for review of the Donated Funds form to ensure that the donor’s intended use of the funds is included in the donor’s letter/memorandum or donated funds form and submitting it to the NTC Chief Business Officer for any monetary donations.

4. Each Campus Dean is responsible for notifying the donor of acceptance of the donation. A copy of the acknowledgement [and thank you] letter must be submitted to the Chief Business Officer.

**Accounting Entries**

Monetary Donations –

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<thead>
<tr>
<th>DR</th>
<th>1011 Cash</th>
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</thead>
<tbody>
<tr>
<td>CR</td>
<td>4611 Gift Revenue</td>
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</table>

The funds should be recorded in Fund 33 if the donation is for scholarships. A project/grant will need to be established to expend the funds in accordance with the donor’s intent.

If the intended use provided by the donor restricts the funds, the funds should be recorded in Fund 34 for all other intended uses. A program code will need to be established to expend the funds in accordance with the donor’s intent.

C. **Scholarships**

Individuals, businesses, or companies that desire to provide scholarships to the NTC for an existing or prospective student, must document their intended use of the funds through a letter/memorandum to the NTC. The letter/memorandum should provide at least the following:

1. Student’s name that the scholarship is awarded to.

2. Duration of time that the scholarship should cover. Ex. “Through January 2010” or “Two semesters”

3. Whether the residual amount of the scholarship should be returned to the donor or to the student.

4. Any other stipulations of the scholarship.
Accounting Entries

Scholarships –

DR 1011 Cash
CR 4611 Gift Revenue

The scholarship funds should be recorded in Fund 33. A project/grant will need to be established to expend the funds in accordance with the donor’s intent.

Policy Reference: Title 34 of the Louisiana Administrative Code
Louisiana Property Assistance Agency (LPAA) Property Control Rules & Regulations
NTC Donated Funds Form # FIN - 011
NTC Donation of Moveable Property Form # FIN - 012

Review Process:

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<th>Effective Date</th>
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