



# The University of Mississippi Medical Center Fund

*A Fund in the University of Mississippi Foundation*

*Development Accounting*

*2500 N. State Street, Jackson, MS 39216-4505*

## **DEVELOPMENT ACCOUNTING EXPENDITURE POLICY**

### **PURPOSE AND SCOPE**

This policy governs the expenditure of gifts and other income received by the University of Mississippi Foundation (Foundation) for the current benefit of the University of Mississippi Medical Center (UMMC), or one of its divisions, departments or programs. These funds are deposited into non-endowed fund accounts administered by the Development Accounting Department at UMMC. The Foundation does not credit interest to these accounts, nor does it charge administrative fees.

These funds are not subject to the rules and regulations governing state appropriated funds. Accordingly, the purpose of this policy is to establish guidelines for the appropriate expenditure of these funds. This policy is necessary to ensure the protection of the Foundation's tax-exempt status.

### **POLICY**

The following guidelines should be followed when judging the appropriateness of an expenditure of Foundation funds:

1. The primary purpose of the expenditure should be to further the mission of UMMC, as well as the division, department or program requesting the expenditure. Therefore, the expenditure should be related to UMMC business.
2. Expenditure should be reasonable in amount.
3. Expenditure must be in accordance with the purpose of the fund account.
4. The Foundation is not exempt from State sales tax. Therefore, invoices and receipts should include applicable sales tax.
5. Primary reliance is placed on the sound discretion and judgment of the fund account spending authority as to the appropriateness of expenditures in accordance with the guidelines in this policy.
6. Expenses will be audited annually by the Foundation's auditing firm and are subject to audit by the IRS at their discretion.



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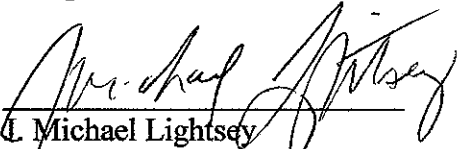
7. A list of prohibited expenditures includes, but is not limited to the following:

- Cash awards to employees or students
- Gifts to employees or students
- Charitable contributions other than memorials
- Political contributions
- Tickets to charitable events, such as Taste of UMC and AHA dinner
- Expenses for employee spouses or other family members
- Civic, service, or other private club dues.
- Pictures, artwork and other items for office décor.
- Refreshments for everyday consumption, such as bottled water and coffee.
- Personal wireless communication devices and service.

**APPROVAL:**

  
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Charles R. Mullen  
Comptroller

10-10-2007  
Date

  
\_\_\_\_\_  
Michael Lightsey  
Associate Vice Chancellor for  
Financial Affairs

10-10-07  
Date

  
\_\_\_\_\_  
Daniel W. Jones  
Vice Chancellor for Health Affairs

10-15-07  
Date