



**ALLOWABLE UNRESTRICTED EXPENSES AND
REIMBURSEMENTS USING UNRESTRICTED FUNDS POLICY**

I. Purpose and Background

The purpose of this policy is to establish guidelines that ensure that all expenditures of unrestricted donations and revenue enhance the educational mission of MiraCosta College.

II. Definition of Unrestricted Funds

Unrestricted funds can originate from unrestricted charitable contributions, fees and various sources of auxiliary revenue. Proceeds from the sale of non-cash gifts can also be unrestricted funds. Unrestricted funds, often called discretionary funds, are subject to the stewardship of the Foundation and used at the discretion of the Foundation Board, the college president, or other college officials for the purposes of enhancing the college's missions, goals, and objectives. A donor may make an unrestricted donation to the college, but prescribe at whose discretion (the president, a faculty member, etc.) the funds are to be spent. Such funds are still considered to be unrestricted, and the expenditure of these funds must adhere to the guidelines established in this document. Expenditures are limited to those that promote the mission of MiraCosta College and the MiraCosta College Foundation.

III. Allowable Expense Categories

- Allowable expenses fall into several categories, which include, but are not limited to, the following:
- Dues, memberships, and subscriptions providing continuing contact with key organizations
- Meals and accommodations for visitors hosted to enhance the educational mission of the college
- Community affairs, lectures, conferences, meetings and special events
- Travel and constituent relations
- A partial list of the most frequently occurring specific expenses follows:
 - ✓ Business breakfast, lunch or dinner
 - ✓ Events (receptions, golf, sporting events)
 - ✓ Farewell and retirement parties
 - ✓ Beverages (non-alcoholic and alcoholic)
 - ✓ Greeting cards
 - ✓ Gifts and flowers (farewell, birthdays, sympathy, get well, graduation, etc.)
 - ✓ Other public relations expenses.



Donations restricted by the donor as to the use may not be spent for the previously stated items except in one of the following instances:

- The funding or proposal documents specifically allow the expense.
- An authorized person from the funding source provides appropriate written documentation by mail, e-mail, or facsimile that specifically authorizes a proposed expenditure.

IV. Prohibited Expenses.

Prohibited expenses generally fall into the category of an expenditure that would provide to an individual or group personal benefit disassociated with the college and the college mission. Some examples include use of funds for:

- ✗ a personal vacation
- ✗ improvement to an individual's household/personal residence
- ✗ the purchase of clothing or other consumables for personal use
- ✗ the purchase of food or beverage for personal benefit

Please note: gifts of logo items, donor appreciation gifts, recognition awards and the like are allowed, as are food and beverage when the occasion is primarily to further the college/foundation mission or necessary during the course of fulfilling a college/foundation business purpose.

V. Procedures:

All authorizations for expenditures are vested in the Executive Director, MiraCosta College Foundation. In the event of her absence or incapacity a designee will be appointed in writing by the Executive Director and who upon return will review all expenditure authorizations.

A purchase request or request for reimbursement must include the following:

- 1) Name of the person requesting the expenditure and signature of the project manager or department/division head.
- 2) Complete description of the item(s) or service(s). For events, a brief description of the event and the attendees required.
- 3) A brief statement of how the expenditure benefits the mission of MiraCosta College (e.g. staff retreat, faculty convocation, donor meeting, flowers expressing sympathy, etc.).
- 4) Review by Foundation staff and signature of Foundation Executive Director or designee as described in the preceding paragraph.