1. **Purpose**

This policy outlines the University’s general policy related to discretionary funds.

2. **Scope**

This policy applies to all University funds, regardless of fund source, spent by all departments, units, and divisions, regardless of payment method, including payments through Accounts Payable, PCard, and Journal Vouchers.

3. **Definitions and Roles and Responsibilities**

3.1 **Definitions**

Discretionary funds: non-state unrestricted funds arising from unrestricted gifts and investment income.

4. **Policy**

4.1 **Policy**

Discretionary funds are available to the Chancellor for administrative and service functions not met from other funding sources. These funds are available to supplement other resources. This policy also applies to non-operating departmental accounts funded by unrestricted gifts. The following statements define the framework within which discretionary expenditures are to be made:

Expenditures from Discretionary Funds shall only be made for University purposes, and not for personal use or personal enrichment.

Discretionary funds are discretionary as to use, not process. University purchasing policies and procedures shall be followed in making expenditures from discretionary funds. Also, appropriate documentation shall be provided to support discretionary expenditures.

Discretionary expenditures may be made to support those representing the University at events in an official capacity, including the Chancellor’s spouse. This may include travel and other related expenses.

Discretionary expenditures may be made to support events for building or enhancing the campus community and for building relationships and providing services on behalf of UNCG. This may include receptions, mealtime gatherings, dedications, and other
events in which the University representation and/or sponsorship are consistent with its mission and expectations.

Discretionary expenditures may be made for educational and general University expenses that could be appropriately met from other fund sources, where funding from other sources is insufficient.

Discretionary expenditures may also be made for administrative expenses not appropriately met from other fund sources. This may include travel to meetings and conferences, business meals, and awards. Discretionary expenditures may also be made for expressions of congratulations and sympathy in an official capacity.

4.1 Additional Guidelines

Examples of Allowable Discretionary Expenditures

Floral or gift arrangements, and/or card purchases for an employee as an expression of sympathy due to the hospitalization or death of either the employee or a member of the employee’s immediate family, are allowable. A memorial donation may be made in lieu of a floral or gift arrangement, but the value of either expression of sympathy cannot exceed $150.

The purchase of gift cards NOT specifically for tangible personal property for employees is not considered “de minimis” by the IRS and is taxable to the employee and is thereby not allowed. Gifts or gift cards specifically for tangible personal property for employees, including student employees, who have exhibited outstanding performance are allowed in an amount not to exceed $100 in the calendar year per recipient. (An example of a gift card specifically for tangible personal property is a gift card to a specific restaurant. A gift card for general merchandise, such as a “Visa” or Walmart or Amazon gift card, is not for specific tangible personal property; and therefore, is not allowable for an employee, as referenced above.) Gift cards specifically for tangible personal property for employees can only be paid/reimbursed through Accounts Payable.

Similar purchases to those listed above may be made by the Advancement or departmental offices for major donors.

Gifts and/or gift cards may be purchased from Athletic funds for student athletes in accordance with NCAA guidelines and UNCG’s procedures for distribution of gift cards.

Examples of Generally Unallowable Discretionary Expenditures

Gifts to individual employees from any source of funds or for any purpose, except for service recognition, retirement, and sympathy gifts.

Gifts for employees, employee family members, or students in celebration of a birthday.

Gifts for employees, employee family members, or students in celebration of
graduation.

Gifts for employees, employee family members, or students in celebration of a wedding or anniversary.

Gifts for employees, employee family members, or students in celebration of the birth or adoption of a child.

If there is a question as to whether an anticipated discretionary expenditure is in conformity with this policy, please contact Melissa Hoff, University Controller at mshoff@uncg.edu or 334-5795 for clarification.

5. Compliance and Enforcement

The University Controller is responsible for ensuring compliance with this policy.

6. Additional Information

6.1 Supporting Documents

Spending Guidelines

6.2 Approval Authority

This policy should be approved by the Vice Chancellor for Finance and Administration.

6.3 Contacts for Additional Information and Reporting

- Responsible Executive: Melissa Hoff, University Controller, (336)334-5795, mshoff@uncg.edu
- Responsible Administrator: Ghazala Bibi, Assistant Controller for Financial Reporting, (336)256-0402, g_bibi@uncg.edu