



Code: QA310
Title: **Engagement with Galway University Foundation in relation to its Philanthropic activities, including the procedure for the transfer of Funds from GUF to NUI Galway**
Date: 24th October 2019
Approval: UMT
Version: 2

1. Purpose

The purpose of this procedure is to ensure that the University correctly manages, records and accounts for its interactions with Galway University Foundation (GUF) in relation to the latter's philanthropic activities, and in particular the transfer of donors' funds from GUF to the University.

2. Description

2.1 Capital developments on campus are made possible by a combination of public and private funding. Since its establishment in 1998, GUF has been the single most active and financially material source of private funding for NUI Galway's capital programmes. A core part of the GUF's work is in nurturing lasting relationships with donors who share NUI Galway's vision for the future.

2.2 GUF and the University are distinct and separate legal entities. GUF is managed and controlled by its own Board which is separate from the University. The University does not control GUF.

2.3 GUF works closely with alumni, friends and organisations who wish to support the aims of NUI Galway. GUF is committed to the highest standard of governance and to full compliance with the Charities Act 2009. GUF is registered as a charitable body in Ireland and is constituted as a company limited by guarantee (company Registration Number: 279868, Registered Charity Number: 20038823).

2.4 In the United States, GUF, Inc is a registered not-for profit entity, Federal ID number 30-0099346. In June 2016, GUF adopted 'The Governance Code for the Community, Voluntary and Charitable Sector in Ireland'. GUF outlines its activities and impact in its Annual Reports, and it files its annual audited financial statements with the Companies Registration Office and the Charities Regulator.

3. Procedures

3.1 **Capital Projects.** The University's capital programme is under regular review by the University's Management Team. Following appropriate internal consultation on the University's priorities, the President of the University / NUIG VP for Development / CEO of GUF, present proposals to the board of the Foundation including projects for which GUF fund-raising might be appropriate.

3.2 Following consideration and agreement of proposals (if applicable), the board of GUF informs the University of its decision for its funding of University projects via an exchange of letters with the University. Such correspondence records GUF's commitment for funding and the planned timing of its transfer to the University. **It also records any associated donor conditions and performance criteria for accounting purposes.** It is important to note that the availability of GUF funding may be a pre-condition for University approval of a particular project.

3.3 Transfer(s) of funding from GUF to the University will be made in accordance with the letters exchanged at commencement of each project as referred to above. The trigger for such transfer(s) is a formal request from the President of the University to GUF, based on receipt of the certificate of

substantial completion of the capital project from the appointed architect/engineer via the office of the Director of Physical Resources.

3.4 On a quarterly basis, the Bursar's Office will issue to the President's office, statements of agreed GUF funding due. Once a formal request has been issued by the University to the Foundation, the University will recognise the requested amount as a debtor in the books of the University in accordance with financial reporting standards. Subject to its own approval procedures, GUF will, following receipt of the formal request mentioned above, recognise a corresponding creditor balance.

3.5 Any variation from the timescale for transfer of funds per the letters exchanged at commencement, will be notified in writing by the Foundation to both the President and Bursar, setting out the reasons for the variation and reconciling the amount transferred (if any) to the amount requested.

3.6 **Recurrent/Research Projects.** As a general rule, donations from GUF to the University for recurrent/research projects are transferred to the University on an annual basis, after the expenditure has been incurred by the University.

3.7 The quarterly statements issued by the Bursar's Office to the President's (see above) will record expenditure incurred on recurrent/research projects, as well as capital projects. The same process that applies to transfers of capital funding from GUF to the University, applies to transfers of recurrent/research funding except that an external architect/engineers' certificate is not required.

3.8 Nothing in this procedure precludes agreement between the University and GUF for the earlier transfer of funds for projects which have reached agreed milestones.

4. Responsibilities

Approver: UMT

Ownership of this procedure rests with the President's Office.

Responsibility for adherence to the procedure: Offices of the President; Bursar; Buildings and Estates; and other members of UMT as may be relevant from time to time.