

GIFT ACCOUNTING WITH BANNER ADS

All gifts received by the University are processed through the Banner Alumni Development System (ADS), which then feeds to the Banner Finance System (BFS). We normally run a feed process every Friday night. After the feed, the ADS Clearing Account within the BFS (fund 1405-account 1171), where we post all cash receipts, should equal zero. If this account does not equal zero, the Accounting Department should reconcile them immediately.

The University may receive three kinds of gifts: cash gifts, securities, and gifts-in-kind.

Cash Gifts

1. Unrestricted

Cash gifts to unrestricted fund are posted into a corresponding unrestricted Designation code in ADS. The Designation code must associate with the debit and credit accounting string in the following format:

Dr	1405- 1171
Cr	fund-org-5502-prog

where 1405-1171 is the ADS Clearing Account. The credit FOAP must be a valid number in BFS. At present, the unrestricted gift accounting strings are:

1200-49110- "MEDAL Unrestricted Gifts"
1200-49130- "Annual Unrestricted Gifts"

2. Restricted

Restricted gifts should be debited to the same clearing account as above and credited to an individual restricted account:

Dr Account	1405-1171
Cr Account	fund-org-5502-prog

where the credit string must be a valid number such as an annual gift, or a capital fund (plant fund code).

3. Endowed

The Millersville University Foundation generally holds endowed gifts for scholarships. Certain endowed gifts may be directed explicitly to the University. Endowed gifts to the University should be debited to the same clearing account as above and credited to an individual endowment fund:

Dr	1405-1171
Cr	fund-org-5502-prog

Endowed gifts to the Foundation should be debited to the Foundation clearing account in chart F and credited to an individual endowment account:

Dr	Clearing account
Cr	fund-org-acct-prog

Securities

Gifts of securities can be either unrestricted or restricted. The Accounting Office should be notified and be given custody of any securities accepted by the Development Office. The accounting procedures for securities are similar to that described for cash gifts. However, because securities are not required to be deposited in a bank, the ADS Clearing Account does not have to be utilized.

1. Unrestricted Gifts

Dr appropriate unrestricted fund & account (1241 for stock)
Cr fund –org- 5502-prog

where account equals an appropriate account code for the type of security donated.

2. Restricted Gifts

Dr appropriate restricted fund & account
Cr Fund –org-5502-prog

Gifts-In-Kind

We track gifts-in-kind in the Net Investment In Plant fund (8702) debiting the appropriate asset accounts and crediting Gift Account (5502).

Dr 8702-49702-5521 Gift-in-Kind Offset
Cr 8702-49702-5502-98

The capitalizable gifts-in-kind are manually added into the Fixed Asset System.

All gifts are separately identified and bundled by the Development Office, and delivered to the Bursar's Office. The Development Office sends a printout of the screen summary along with the gifts. Upon receipt, the Bursar's Office staff will tally the University cash and checks and verify the total to the cash amount on the Session printout. The non-cash amount and the net total on this screen printout can be ignored. A cash receipt transaction must be processed in BFS for each ADS batch received. These cash receipt entries are posted against the ADS Clearing Account (1405-1171 in BFS).

If a donor contributes one check to be divided between the University and the Foundation, the whole check should be deposited to the University's bank account, and credited to the University's ADS Clearing Account (1405-1171) in BFS. The Development Office will notify the Bursar's Office that one check is to be apportioned between the University and the Foundation. After making the necessary cash receipt entry, the Bursar's Office staff will notify the Accounting Office of the split check. The Accounting Office will make a check request from the University, payable to the Foundation, for the amount of the gift intended for the Foundation.

Returned Check Processing

When the bank returns a gift check due to insufficient funds, we should follow the following procedures:

The Bursar's Office should immediately reverse the cash receipt entry in the Clearing fund. If the check was a gift to the University, use fund 1405-1171 in chart A. If the donor made the gift to the Millersville University Foundation, use the same fund in Chart F.

The Bursar's office will immediately redeposit the check, following the normal cash receipt procedures.

If the bank returns the check a second time, the check must then be forwarded to the Alumni Development Office. When receiving the check, the Development Office will immediately post a reverse gift entry in the Alumni Development System (ADS). This is an entry that reduces the individual's giving history by the amount of the returned check. The Development Office will contact the donor and attempt to rectify the problem.

If the donor makes good on the check, the Development Office will treat it as a new gift and process it through the Alumni Development System as such, and then send the replacement check to the Bursar's Office for normal posting.

Correcting Gift Posting Errors

In the Alumni Development System (ADS), gift posting is associated with a constituent/donor and a designation. A designation corresponds to an accounting string in BFS. After the Development Office posts a gift in ADS, the accounting feed process will indirectly update cash and credit the appropriate gift account in the gift fund.

Any errors detected should be corrected in ADS as soon as possible. To correct an error, the original entry should be reversed and the correct entry should be made. These entries will update BFS when the next accounting feed is processed.

If the Development Office discovers the error, they should notify the Accounting Office immediately so that the Accounting Department can monitor BFS to confirm that the entries are properly fed.

If the Accounting Department uncovers the error within BFS, they should report it to the Development Office as soon as possible so that they can make the required corrections.

The Development Office must process all error corrections. Through the accounting feed process, this entry will reduce both cash and gifts in BFS, and will also update the giving history within ADS.