

**RULE CODES FOR RECORDING GIFTS IN THE ADS SYSTEM.**

Millersville University processes gift through the Banner Alumni Development System (ADS), including gift of cash or cash equivalent, gift-in-kind, or securities. Within the ADS, a gift is posted into a designation that associates with an accounting entry. For example, the designation *AF Friend of Ganser Library* is linked to fund 3550, organization 20915, account 5502, and program 41. This is the credit side of the accounting entry and is defined on form ADADESG. The debit side to this is defined in the rule code, which is [linked to](#) a specific payment type on form ATVGIFT.

The following gift types and rule codes have been defined:

<b>Gift Type</b>	<b>Description</b>	<b>Rule Code</b>	<b>Remarks</b>
BP	Bequest of Property	ASLN	See Gift of Property
BQ	Bequest	ASCS	Same as Cash/Check
CK	Check	ASCS	
MC	Master Card	ASCS	
DI	Discover Card	ASCS	
VI	Visa Card	ASCS	
MG	Matching Gift	ASCS	Assume Cash/Check
CA	Cash	ASCS	
SE	Gift of stocks and other securities	ASSC	
HR	Payroll Deduction	ASCS	Same Cash/Check
UK	Gift-in-Kind (University)	ASLN	
FK	Foundation Gift-in-Kind Cash/Check	ASCS	Same as
UP	Property or Land (University)	ASLN	
FP	Foundation Property/Land	ASCS	Same as Cash/Check

**Rule ASCS. Recording gift of cash or other cash equivalent payment types.**

The ASCS rule code is used with these payment types: CA cash, CK check, credit cards (DI, MC, VI), MG matching gifts, and HR Payroll Deduction. The processes involved are:

<b>Sep. Modifiers</b>	<b>Process Code</b>	<b>Posting Action</b>	<b>Amount Indicator</b>	<b>Allow Zero</b>	<b>Posting</b>
10 I061	D/C Input; OPAL=ATYP	N	I	Y	
20 O030	Post Year to date actual	N	I	Y	
30 G010	Post GL w/ Trans. Dr/Cr.	R	I	Y	1405-1171
40 G020	Post Claim on Cash Input Fund	N	C	Y	
50 G010	Post GL w/ Trans. Dr/Cr.	N	C	Y	1405-1101

Cash or cash equivalent will increase the Gift Revenue and the Claim on Cash accounts in the input fund, such as MEDAL Fund. Meanwhile, in the AR Clearing Fund 1405, Claim

on Cash account (1101) will be credited and the ADS Cash Clearing account (1171) will be debited. The Development Office forwards the total Cash and Checks collected to the Bursar's Office. Upon receipt, the Bursar's Office verifies and posts Cash Receipt entry with JV type CR05 to credit the ADS Cash Clearing in the AR Clearing Fund. The Accounting Office will reconcile the ADS Cash Clearing account 1171 weekly and it should equal zero. Any balance in this account must be clearly documented.

**Rule ASLN. Recording Gift-in-Kind or Gift of Real Estate.**

Gift-in-kind is normally processed through the Alumni Development System. When a constituent donates a gift-in-kind to the University we record the gift directly into the Net Investment in Plant Fund, regardless of the department receiving the gift. The rule code for feeding a gift from the ADS to the General Ledger is designed to record both the debit and credit to revenue accounts, creating a zero effect. Once the University Asset Control staff determines the gift to be a fixed asset, subject to University's asset tracking and capitalization criteria, it will be assigned a permanent asset tag. Only at this time do we record an entry to reflect the gift as a donated asset in the General Ledger. This procedure will limit the quantity added to and ensure the quality of the items recorded as asset in the Fixed Assets System.

Rule ASLN corresponds to the gift payment type of UK (Gift-in-Kind University), UP (Gift of Property- University). Gift-in-kinds that go to the University Foundation are not processed with rule ASLN. Instead they are treated as cash gift and relates gift type FK(Foundation Gift-in-Kind) and FP(Foundation Gift of Property/Land).

The accounting entry for gift-in-kind to the University is recorded in the Net Investment in Plant Fund, fund 8702, as follow,

Dr. 8702 – 49702- 5520	\$300
Cr. 8702 – 49702- 5521	\$300

When John Doe, a constituent, donates a printer worth \$300 to the Accounting Office, the ADS staff accesses John Doe's account in the ADS and posts a gift-in-kind entry using the designation code of **GIFTINKIND**. The Finance Information for this designation has been predefined on form ADADESG under the gift line with fund 8702, org. 49702, and account 5502, as the income accounting distribution (the credit side in the above entry.) Rule code ASLN defines the processes for posting the related entries:

<u>Sep.</u>	<u>Process Code</u>	<u>Posting Action</u>	<u>Amount Indicator</u>	<u>Check Zero</u>
<u>Modifiers</u>				
10	I061 D/C Input; OPAL=ATYP	N	C	Y
20	O030 Post Year to date actual	N	C	Y
30	G010 Post GL w/ Trans. Dr/Cr.	N	C	Y
40	G010 Post GL w/ Trans. Dr/Cr. 5521	R	C	Y
50	O030 Post Year to date actual 5521	R	C	Y

When receiving a gift of real estate, the Development office will notify the Accounting office to make the necessary adjustment within the Finance System to record the proper distribution between land and building, for depreciation purpose. For example, gift of a house would ultimately be recorded as follows:

Dr. 8702-49702-1910 Land	\$ 40,000
Dr. 8702-49702-1921 Building	80,000
CR. 8702-49702-5520 Gift-in-Kind	\$120,00

**ASSC. Recording of gift of Securities.**

This rule code is used for all securities- stocks, bonds, mutual funds, etc.

<u>Sep.</u>	<u>Process Code</u>	<u>Posting Action</u>	<u>Amount Indicator</u>	<u>Check Zero</u>
<b><u>Modifiers</u></b>				
10	I061 D/C Input; OPAL=ATYP	N	C	Y
20	G010 Post GL w/ Trans. Dr/Cr. 1211(act)	R	C	Y
30	O030 Post Year to date actual	N	C	Y

When the Development Office posts a gift of stocks (securities) in the ADS system, the accounting entries will be to credit a gift revenue in the input fund and to debit account 1211 Investments, as followed,

Dr. FFFF OOOOO 1211 AT & T Stocks- 100 shares	\$7,000
Cr. FFFF OOOOO 5502 Gift of Cash/Security	7,000

The certificate of stocks must be forwarded to the Accounting Office to either, as directed by the VP for Finance, keep in the safe or forward to the broker for custody or sale(if approved by Trustees.) The Accounting Office will be responsible for the accounting of gains or losses at the time of disposal of the assets.

**Notes on rule code:**

- 1.) The order of the process codes is not relevant.
- 2) The posting modifier(s) must associate with a particular process code.