

Construction Funding Guidelines

Gift Funding

The collection of gifts and pledged gifts identified for funding construction projects is the responsibility of the department designated as the gift recipient. The recipient department is responsible for covering any shortfalls.

Construction projects paid with planned or pledged gifts that have not yet been received will require the creation of a fund group 4 cost center in the gift-recipient department. This fund group 4 cost center will be used to:

- record the receipt of all gifts; and
- record the fund equity transfer to Plant Funds for the full amount of the project budget related to gifts.

Transfers to fund construction projects will be recorded at the inception of the project, regardless of when gifts are actually received. The departmental cost center will therefore show a deficit until all gifts are received. This deficit may require explanation during the annual review of fund equity, which should include the dates of both the project's completion and the expected arrival of final gift amounts.

This requirement does not negate pre-existing arrangements for monthly sweeps of gifts, preclude special arrangements for areas with unique reporting requirements or arrangements for the issuance of Commercial Paper funds that will be repaid with gift funds.