

ARKANSAS DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES SERVICES
DIRECTOR'S OFFICE POLICY MANUAL

<u>Policy Type</u>	<u>Subject of Policy</u>	<u>Policy No.</u>
Fiscal	Gifts and Bequests	2003

1. Purpose. This policy has been prepared to specify DDS Divisional guidelines for implementing Board Policy #2003 on Gifts and Bequests.
2. Scope. All employees of DDS must abide by this policy in the receipt and expenditure of Gifts and Bequests held in trust by the Board.
3. Procedural Additions. Procedures for maintaining and accounting for Gifts and Bequests funds shall be established by the DDS Director.

Replacement Notation: This policy replaces DDS Commissioner's Office Policy #2003, effective February 12, 1982, November 1, 1983, and May 1, 1993.

Effective Date: December 1, 1993

Sheet 1 of 3

References: DDS Board Policy #2003; DDS Institutional Services Policy RS-PO-3, effective June 18, 1979, which is hereby superseded.

Administrative Rules & Regulations Sub Committee of the Arkansas Legislative Council: November 4, 1993.

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Fiscal	Gifts and Bequests Procedural Guidelines	2003

Procedural Guidelines for Gifts and Bequests Funds - DDS Board Policy #2003:

1. The Gifts and Bequests funds on hand as of June 30, 1983, less interest earned during FY/83, shall be deposited in, or remain in, interest bearing accounts or other securities and shall constitute the principal balance, hereafter called Principal. It shall consist of seven components--one component for each HDC and one unspecified component, plus unallocated interest.
 - A. Donations received after June 30, 1983, without specified purpose, but left to a specified HDC, shall retain its attachment to that HDC. The donation shall become part of the principal amount for that facility.
 - B. Donations not made on behalf of a specified HDC, but simply left to DDS, will be credited to the unspecified component of the principal. Any area of DDS may request Board approval to use this money.

No funds shall be expended from the unspecified principal without the approval of the DDS Board.
2. Division of Finance, Funds Management Section, shall maintain a control account for the entire amount of funds in Gifts and Bequests. In addition, a subsidiary ledger account will be maintained for the components thereof.
3. Effective July 1, 1986, and on each July 1 thereafter, interest earned during the previous fiscal year shall be divided among the DDS Human Development Centers, with allocation being based upon fiscal year average enrollment obtained from the midnight census count. The HDC with the lowest average enrollment shall be weighted to equal that HDC with the next lowest average enrollment. Prior to computation, \$1,000.00 shall be set aside from the total interest for the Director's Office.
4. Donations with a stated purpose will be deposited to the general Gifts and Bequests Fund Account. A subsidiary ledger will be prepared by Funds Management Section, showing the donation amount, the purpose and the HDC designated in the purpose. Should such donation be receipted by Funds Management Section, a copy of the receipt will be provided to the HDC.

Replacement Notation: This Procedural Guideline replaces DDS Deputy Director's Office Procedure #2003 dated August 17, 1987.

Effective Date: December 1, 1993

Sheet 2 of 3

References: DDS Board Policy 2003, dated March 26, 1986

Administrative Rules & Regulations Sub Committee of the Arkansas
Legislative Council: November 4, 1993.

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Procedural Guidelines for Gifts and Bequests Funds - DDS Board Policy #2003:

5. All interest income, whether generated by principal or allocation, will become a part of the total interest income to be distributed as outline in item 3.
6. Unexpended allocations on June 30 will be carried forward on their respective subsidiary accounts.
7. If the amount required for a specific purpose, as set forth in the donation, is less than the amount contributed, the balance will remain in the HDC subsidiary account to be used at the discretion of the Activity Manager within existing guidelines.
8. When a donation is designated, requests for expenditure against the donation must be accompanied by a copy of the donor receipt. When the purchase can be handled by the originating Activity, support documents for Funds Management Section, must include a copy of the donor receipt.
9. When money is to be expended from the unspecified fund principal, Director and Board approval is required, regardless of amount. Request for expenditure against the undesignated principal must be supported by documentation showing Board approval prior to purchase. When obligation is made from undesignated principal, a copy of the Board-approval-document must be provided to Funds Management Section, as a part of the support documents.
10. When money to be expended is clearly identified as having been given for the requested purchase or is from allocated interest, no agency approvals beyond Activity level are required for an amount less than \$5,000.00. If the amount is \$5,000.00 or more, then approval of the Director is required.
11. Procurement of items in amounts less than \$5,000.00 (order total) may be made by the HDC Superintendent. Division of Management Services, Purchasing Section, will handle procurement for Central Administration and for all purchases requiring Director and/or Board approval.
12. The procurement party assumes responsibility for following the state purchasing law and accounting procedures manual and, policy and procedures relating to Gifts and Bequests when making obligations against that fund. In addition, he/she is responsible for ensuring that there are adequate sums in the subsidiary account to cover the purchase. Division of Management Services, Purchasing Section, and Division of Finance, Funds Management Section, will be available to provide advice at any level upon request.
13. A request and explanation for cash will be routed to Central Office for approval. Supporting documentation for the expenditure will be maintained at the HDC.

