



**POLICY TITLE**

***Affiliated Nonprofit Organizations Disbursements Policy***

**POLICY NUMBER**

**6-009**

<b>Responsible Unit:</b> <i>System and Campus Offices of Finance and Business</i>	<b>Effective Date:</b> <i>10/21/2022</i>
<b>Responsible Official:</b> <i>Vice President and Vice Chancellors for the Office of Finance and Business</i>	<b>Last Reviewed Date:</b>
<b>Policy Classification:</b> <i>Governance</i>	<b>Origination Date:</b> <i>10/21/2022</i>

**I. POLICY STATEMENT AND RATIONALE**

This policy is to enable the Southern University System to achieve uniformity in its affiliated nonprofit organizations disbursements and ensure compliance with the laws of the State of Louisiana.

**II. POLICY SCOPE AND AUDIENCE**

This policy applies to all employees, personnel, offices, departments, and institutions under the Southern University System.

**III. POLICY COMPLIANCE**

Violations or failure to adhere to this policy may result in action under the appropriate handbook for faculty and staff, including termination, legal or ethical sanctions under Louisiana laws, or denial of the disbursement request.

**IV. POLICY DEFINITIONS**

**Transaction** is any direct payment to an employee, other than compensation, for expenses incurred for qualified business purposes.

**Single Transaction** is the complete transaction regarding a matter regardless of if the transaction is paid in installments.

## **V. POLICY IMPLEMENTATION PROCEDURES**

University employees are permitted to receive reimbursements or direct payments for transactions that are for a qualified business purpose from affiliated nonprofit organizations. However, University employees may not receive compensation from affiliated nonprofit organizations for services provided to the University. The funds for such services provided must be transferred to the University from the affiliated nonprofit organization, and the University employee must follow the Extra Compensation Policy.

All disbursements from an affiliated nonprofit organization must use the organization's designated disbursement form, which must be approved by the Chancellor. However, any requests for payments of over one thousand dollars for any single transaction to, or on behalf of, or to reimburse the expense of an employee by an affiliated nonprofit organization shall be approved in writing by the President.

All disbursement requests must include proper supporting documentation, including but not limited to, receipts, invoices, contracts, to justify approval.

The final approver of a request, whether the President or the Chancellor, is required to maintain copies of all approved requests with supporting documentation in accordance with applicable retention policies.

The President shall semi-annually provide to the Board of Supervisors an aggregate accounting of all approved requests for payments over one thousand dollars for any single transaction to, or on behalf, or to reimburse the expense of an employee by an affiliated nonprofit organization.

## **VI. POLICY RELATED INFORMATION**

- La. R.S. 17:3390(F)
- Agreements and Contracts Policy
- Extra Compensation Policy

## **VII. POLICY HISTORY AND REVIEW CYCLE**

The Offices of Business and Finance will be charged with implementing this policy.

This is a new policy and is subject to a five-year review cycle.

## **VIII. POLICY URL**

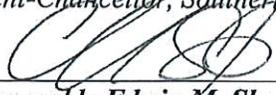
The approved policy will be posted on the Southern University System website under Board Policies at [www.sus.edu](http://www.sus.edu).

**IX. POLICY APPROVAL**

The effective date of this policy is determined by the approval date of the President-Chancellor of the Southern University and A&M College System and the Board of Supervisors of the Southern University and A&M College System.

  
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**Dennis J. Shields**  
*President-Chancellor, Southern University and A&M College System*

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10/21/2022  
**Effective Date of Policy**

  
\_\_\_\_\_  
**The Honorable Edwin M. Shorty Jr.**  
*Chair – Southern University System Board of Supervisors*

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10/21/22  
**Effective Date of Policy**