

Student Scholarships

MCGF does not pay any students directly for scholarships. Instead, all scholarships should be processed through Financial Aid and will be reimbursed by MCGF. In order to qualify for a scholarship, the student must be enrolled at the university at the time the payment is made.

Under IRC Section 117, scholarships for tuition, books, and fees are not taxable. Any scholarship amount in excess of tuition, books, and fees (such as for room and board) are taxable. Any payment for services that benefit the Institution, regardless of whether it is called an award or scholarship, is considered employment compensation and must be included on the employee's form W-2. For example, payments for tuition and books will be taxable if they are provided to compensate for research or teaching services. All scholarships that are unrelated to services performed, except those for non-resident aliens, are not reportable to the IRS although the student must include the portion of the amount received in excess of tuition, books, and fees as taxable income. According to the IRS, the definition of a qualifying scholarship excludes payments by MCGF (even if for tuition, fees, and books) if the payment requires teaching, research or other services to be performed by the student as a condition for receiving the payment. These employment-related tuition payments are compensation and must be reported on the recipient employee's W-2.

Honorariums

MCGF will pay honorariums for visiting lecturers and guest speakers. However, due to tax implications, MCGF cannot make payments to foreign individuals.

The following is required support to be included with the completed Check Request Form:

- Written correspondence indicating agreement between the department and guest speaker of the honorarium dollar amount.
- A completed W-9 Form.
- A brochure/agenda/invitation/bulletin advertising the event.

Purchases of Property and Equipment

Assets purchased with MCGF funds must benefit the Institution and become Institution property when acquired. An [Attachment B](#) is required to accompany check requests to purchase property and equipment over \$5,000. A copy of the Attachment B will be submitted to Corporate Accounting by MCGF. Due to the difficulty in controlling Institution assets, property and equipment should be delivered to an Institution address. Likewise, requests for repairs or maintenance of equipment not located at and billed to the Institution will not be paid.

Dues and Subscriptions

MCGF will pay for The Pinnacle Club and The Commerce Club dues as well as any dues to belong to a professional association or civic organization, provided there is a benefit to the Institution for such membership. MCGF will not pay for country club dues, airline travel clubs, or social club dues. MCGF will not pay for any additional voluntary contributions on behalf of a member.

Retreats

Reimbursement for faculty and staff retreats may be allowable given that they involve bona fide business activities. However, reimbursement for spousal attendance or recreational activities during the retreat is not allowable. MCGF will pay for food and beverage, accommodations, and meeting spaces associated with a retreat where the agenda includes substantial business aspects.

Spousal Attendance

It is not appropriate for spouses to attend business meals or other entertainment activities when all attendees of the function are Institution employees. MCGF may reimburse meal or entertainment costs for an employee's spouse in limited situations, including the following:

- When a visiting lecturer, guest speaker, or interview candidate's spouse is in attendance.
- When spouses are invited and attend any of the permissible parties/receptions discussed in the *Parties & Receptions* section above.

Mixed-Use Expenses

Mixed-use expenses include any items or services purchased that constitute both personal and business use. The process described for payment in each case is designed to comply with IRS rules that prohibit tax-exempt entities like MCGF from providing a personal benefit to an individual employee. When requests for items or services that have the potential for personal use combined with business use are presented to MCGF for payment, MCGF will review facts and circumstances of the situation and obtain all of the information necessary from the requestor to make an appropriate payment determination. A statement from the requestor explaining the business portion of the expense is required to adequately support such payments from MCGF funds.

Endowed Chairs

Endowed chair holders who retire or vacate a chair at any time during the year are allowed a pro rata percentage of the annual (fiscal year) distribution (note that MCGF's fiscal year runs July to June). For example, if the chair holder retires effective December 31, the chair holder will have 50% of the annual distribution to spend during their 6 months of employment at the Institution. When MCGF is informed of the chair holder's upcoming retirement, the distribution will begin being made on a monthly basis. The MCG Foundation recognizes that in exceptional cases, continued funding may be needed to support an endowed chair vacated by a departing or retiring chair holder. The Dean of the Medical College of Georgia or Augusta University Vice President for Research may request, in writing, an extension of funding for a limited time during such a transition. The MCG Foundation Board of Directors will consider these requests on a case-by-case basis.

Miscellaneous

MCGF does not reimburse Institution employees for the cost of cell phones or cell phone usage. Unless pre-approved, MCGF does not prepare checks in advance of services being rendered. MCGF will pay for lab coat laundering as well as departmental drinks and paper supplies (i.e. cups, napkins, plates, etc.) For funds that support research, MCGF can only support research being conducted at the Institution.

Contact Information

Please contact MCGF accounting staff, using the below information, for any questions relating to this policy:

Angela Rees, Chief Financial Officer – 706.823.5510 or arees@mcgfoundation.org

Allie Doolittle, Accounting Associate – 706.823.5503 or adoolittle@mcgfoundation.org