

Identifying Appropriate University Funding for Promoting Student Participation in Library Activities

The BLFC Budgetary Advisory Committee was charged with identifying appropriate university funding for promoting student participation in library activities. Below is the committee's report.

Generally, the library spends money from two types of accounts. University accounts (taxpayer dollars) and IU Foundation accounts (donations, usually restricted by the wishes of the donor).

University accounts

University policy clearly defines allowable and unallowable hospitality expenses (expenses incurred to purchase or provide meals, refreshments or entertainment, or expenses incurred for promotional purposes).

Unallowable hospitality expenses include gifts and refreshments. Payment, however nominal, for participation in activities such as usability tests is considered compensation and is therefore reportable for tax purposes. The process to pay students is cumbersome.

Allowable hospitality expenses include receptions for which the primary purpose is the attendance and benefit of a group of students or potential students.

The university's hospitality policy changes periodically and anyone wishing to explore options further should plan well in advance and consult Kathy McCarnes.

See the policy at: <http://www.indiana.edu/~vpcco/policies/accounting/i-50.html>

Foundation accounts

These accounts are restricted by the wishes of the donor, and are generally unavailable for hospitality expenses.

The IU Libraries use IU Foundation accounts to pay for hospitality for activities such as the annual holiday party, annual picnic, annual retirement/recognition reception, and new employee orientation. These activities serve a large number of employees and extend beyond the scope of usual workday activities, such as meetings or presentations.