



Angelo State University
Operating Policy and Procedure

OP 32.03: Solicitation of Gifts and Grants from Private Philanthropic Sources

DATE: March 12, 2012

PURPOSE: The purpose of this Operating Policy and/or Procedure (OP) is to set forth Angelo State University policies and procedures related to solicitation of all gifts, donations, and non-contractual grants from private philanthropic sources (e.g., individuals, foundations, and corporations).

REVIEW: This OP will be reviewed in March of even numbered years by the vice president for development and alumni relations. Changes regarding financial procedures will be made with the concurrence of the vice president for finance and administration and, where appropriate, the Office of Sponsored Projects. Recommended revisions will be forwarded through the vice presidents to the president by April 15 of the same year.

POLICY/PROCEDURE

1. Definition of Gifts

- a. For the purpose of this OP, gifts, donations, and non-contractual grants are defined as follows: charitable contributions of any kind of property, real or personal, including pledges, which are given for restricted or unrestricted purposes by donors (e.g., individuals, foundations, and corporations). A gift is a voluntary transfer of property from one to another without consideration. It is donative in nature and bestowed by the donor voluntarily and without expectation of any tangible return.
- b. Included in the above definition are gifts such as cash, securities and tangible personal property and real property.
- c. Not included in the above definition are grants from public entities, including local, state, and federal entities, or contractual grants, contracts, or purchase orders from private sources. The Office of Sponsored Projects will communicate approaches and receipts for contractual grants from private sources with the Office of Development.

2. General

- a. All solicitation of gifts by any Angelo State University (ASU) faculty member, staff member, student, student organization, or related corporate entity shall be coordinated and cleared before the fact with the Office of Development. The vice president for development and alumni relations, in conjunction with the development officer in the responsible college or unit, if applicable, or an appropriate staff member, will work with the faculty member, staff member, student, student organization, or related corporate entity on the project.

- (1) Any project for which gift funding of \$1,000 or more is sought must receive approval from the appropriate administrators with the completion of the *Request for Funds for Special Projects from Private Sources*. (Attachment A).
 - (2) Funds may not be formally solicited for a center or institute prior to approval of the establishment of the center or institute by the Board of Regents.
 - (3) In the approval process, the sponsors of the project must agree that, should the fundraising goal not be reached, ASU support in excess of what might be committed initially will not be sought. In addition, a plan must be provided by the project sponsor to the Office of Development and the president specifying what will happen to the gift funds should the fundraising project not reach its financial goal. The sponsor must agree to inform the principal donors in advance of how the funds will be used should the goal not be reached.
 - (4) The Office of Development maintains a master calendar for all fundraising events. All events must receive prior approval from the Office of Development.
 - (5) All fundraising projects and events shall comply with ASU policies and procedures, as well as federal and state law.
 - (6) Any written statement concerning tax deductibility of contributions must be reviewed and approved by the Office of Development.
 - (7) Policies and procedures relating to the use of the ASU name by a third party or unrelated entities are found in OP 26.07.
- b. If any faculty member, staff member, student, or student organization receives any unsolicited question from a prospective donor regarding a possible gift to ASU or Angelo State University Foundation, Inc., (ASUF), the Office of Development should be notified of the inquiry as soon as possible following the initial contact.
 - c. Fundraising programs can be initiated by ASU or ASUF.
 - d. The related corporate entities of ASU, other than ASUF, are defined as separately incorporated, nonprofit organizations with federal tax-exempt status, which, pursuant to their governing documents, exist solely to support ASU and have contracts with ASU setting forth such support.

These organizations are:

- (1) Angelo State Alumni Association;
- (2) Friends of the Library/West Texas Collection;
- (3) Friends of Art and Music Education; and
- (4) Angelo State Athletic Foundation.

ASU personnel may assist the above-listed related corporate entities in any fundraising efforts in which the contributions are made to ASUF or ASU as designated by the donor, unless other arrangements have been made in the contracts between the entity and ASU.

e. Corporations and Foundations

All research, project and gift solicitation proposals to private foundations or corporations must be cleared by the vice president for development and alumni relations if the following indicators of a gift exist:

- (1) The award is from a non-governmental source and is either for buildings or facilities, research or a specific project, or for the endowment of ASU;
- (2) The donor specifically intends the award to be a charitable gift, as reflected by the characteristics of the award instrument;
- (3) The conditions or stipulations placed on the intended use of the award are reasonable and serve to direct the funds to areas such as scholarships, facilities, or general research support of specific interest to the donor;
- (4) The donor intends the gift to be irrevocable and, therefore, relinquishes the right to reclaim the gift or any unused remainder; and
- (5) The donor makes the gift to ASU or ASUF without expectation of direct economic benefit or other tangible benefit commensurate with the worth of the gift.

f. Office of Sponsored Projects

The Office of Sponsored Projects will have responsibility for negotiation and administration of the award if any of the following indicators exist:

- (1) The award is from a governmental or quasi-governmental entity or is a subcontract or purchase order from a federal contractor;
- (2) The award is from a corporation's research and development budget and is perceived by the company as a "cost of doing business" rather than a charitable gift;
- (3) The for-profit private sponsor hopes to gain direct economic benefit as a result of the activity to be conducted under the agreement;
- (4) The award is the result of a project proposal to the sponsor, and there is a written contract between the sponsor and ASU;
- (5) The sponsor is contractually entitled to formal financial, technical, or activity reports;
- (6) There are specific limitations concerning patents, copyrights, publications, or the use and ownership of equipment;
- (7) The unused portion of the award is revocable if the grant is not being used to the sponsor's satisfaction; or

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- (8) The activity supported by the award involves patents, hazardous substances, animal or human research subjects, or classified material.

3. Payment of Gift-related Fees

a. Finder's Fees or Commissions

- (1) Neither ASU nor ASUF will pay any fee to any person in consideration of directing a gift to ASU or ASUF. Such fees could be illegal and, in the case of irrevocable deferred gifts that involve management of assets, the payment of such may subject ASU, its Board of Regents, ASUF, its Board of Directors, or the staff of ASU to federal and state security regulation.
- (2) No commission or finder's fee of any type will be paid to any party in connection with the completion of a gift to ASU or ASUF.

b. Professional Fees

All fees incurred by the donor in the completion of a gift to the ASU will be paid by the donor unless payment, or a portion thereof, by ASU is authorized by the vice president for finance and administration.

4. Matching Gifts

- a. Some foundations and corporations provide gifts to ASU and ASUF to match certain academic contributions made by their employees. The Office of Development will verify receipt of the gift. The matching gift forms require the signature of the vice president for development and alumni relations or designee for certification that the gift is eligible for match based on the company's matching gift policy.
- b. Matching gifts, including the original and matching contributions made to the related corporate entities of ASU, will be forwarded to the Office of Development for deposit into an account whereby the funds will be used as established by the matching gift company's policy.

Attachment A: [Request for Funds for Special Projects from Private Sources](#)