Utdbp3004 - Gifts and Grants from Private Philanthropic Sources

Policy Statement

Policy on Soliciting, Accepting and Processing Gifts and Grants from Private Philanthropic Sources

Purpose

The basic purpose of this section is to set forth University policies, in accordance with the Board of Regents’ Rules and Regulations, http://www.utsystem.edu/bor/rules/60000Series/60101.pdf, procedures related to soliciting, accepting, and processing of all gifts, including grants and gifts-in-kind, from private philanthropic sources (individuals, partnerships, foundations and corporations).

Another purpose is to set forth clearly the responsibilities related to the above subject, of university employees, administrative heads, the Office of Development and Alumni Relations, and the Office of Budget and Finance.

Definition of Gifts

For purposes of this document, gifts are defined as awards which meet the following criteria: Award supports an unrestricted purpose or endowments, capital projects, general student support, or other non-research related general support; Award contains only minimal requirements, generally relating to donor pledge payments and the University's commitment to effectuate the donor's intent; Award requires only minimal reporting to the donor in the form of a general statement of how funds were used (e.g. annual report, acknowledgement letter, IRS form); and Award is irrevocable, except in the case of bequests.

Included in the above definition would be such gifts as cash, securities, and gifts-in-kind (real estate, books, automobiles, equipment, etc.). Gifts will be categorized according to the most recent edition of the Management Reporting Standards for Educational Institutions CASE Reporting Standards and Management Guidelines, published by the Council for Advancement and Support of Education and National Association of College and University Business Officers. Not included in the definition are grants from public entities (local, state and federal), which would require approval by the Office of Sponsored Projects.

Any questions concerning the definition of an award as a gift under this policy will be resolved through consultation between the Office of Development and Alumni Relations and the Office of Sponsored Projects.

General Divisional Responsibilities

The Office of Development and Alumni Relations has the general responsibility of soliciting, coordinating and reporting all fund raising from the private sector. This includes both projects and proposals initiated by that office and those initiated elsewhere in the University. To fulfill this mission, the Office of Development and Alumni Relations must be in a position to know who is giving how much and for what purpose. The Vice President for Development and Alumni Relations has the responsibility of reconciling records with official University records maintained by the Office of Budget and Finance.

The Office of Budget and Finance has the primary responsibility of maintaining official University fiscal records, assuring that all cash is receipted by the University in a manner consistent with the requirements of state law, and assuring donors, the Board of Regents, the President, The University of Texas System officials and the State Auditor's Office, that all University funds are expended as required by the stipulations imposed by the donor, Board
of Regents, The University of Texas System and the University administration, and the laws of the State of Texas.

**Solicitation of Gifts**

All solicitation of gifts from private sources by any University administrator, dean, faculty or staff member will be coordinated before-the-fact with the Vice President for Development and Alumni Relations. This coordination will occur through prospect coordination meetings. The Vice President for Development and Alumni Relations, or an appropriate Development and Alumni Relations staff member, may work with the administrators, deans, faculty or staff members on approved fund-raising initiatives.

Regarding unsolicited gifts inquiries which might be forthcoming from prospective donors, the appropriate university employee will notify the Vice President as soon as possible after the contact.

**Acceptance of Gifts**

Cash gifts to the University may only be accepted by the President or the Vice President for Development and Alumni Relations.

The University of Texas System (U.T. System) Office of Development and Gift Planning Services must approve the acceptance of gifts restricted to establish an endowment or charitable remainder trust or given for addition to the U.T. System Pooled Income Fund, or to amend an existing endowment, regardless of value.

Gifts-in-kind to the University must be approved by the appropriate Dean and the Vice President for Development and Alumni Relations. The Vice President for Development and Alumni Relations will confer with the President's Cabinet when major gifts are involved.

Gifts of real estate or minerals and gifts or remainder interests in personal residences or farms must be reviewed by the U.T. System Real Estate Office and Office of General Counsel and processed by the Real Estate Office prior to acceptance. Closely held securities and partnership interests must be reviewed by the U.T. System Office of Development and Gift Planning Services and the Office of General Counsel and processed by the U.T. System Office of Development and Gift Planning Services prior to acceptance.

The following steps will be followed to obtain official approval:

1. If requested by the donor, the Vice President for Development and Alumni Relations will sign IRS Form 8283 to acknowledge receipt of gifts other than those processed and approved by the U.T. System Office of Development and Gift Planning Services. If requested by the donor, the U.T. System Office of Development and Gift Planning Services will sign IRS Form 8283 for gifts processed.
2. The Vice President for Development and Alumni Relations will evaluate the proposed gift and forward it for appropriate approval and acceptance.
3. The Vice President for Development and Alumni Relations will notify all parties that the gift will or will not be accepted.
4. If approval to accept personal property is granted, the Vice President for Development and Alumni Relations will sign and return IRS Form 8283, if requested by the donor, for gifts other than those processed and approved by the U.T. System Office of Development and Gift Planning Services. If requested by the donor, the U.T. System Office of Development and Gift Planning Services will sign IRS Form 8283 for personal property gifts processed and approved by the U.T. System Office of Development and Gift Planning Services. A copy of the form will be forwarded by the Vice President to the fiscal official so that the appropriate accounting entries may be made. The Property Manager will be notified that the gift has been capitalized, and it should be tagged. If approval to accept real property is granted, appropriate legal counsel within The University of Texas System will be consulted regarding required documentation.
5. If approval is granted, the originator will, in coordination with his or her dean and the Vice President,
arrange with the donor(s) for the actual acceptance with the desires of the donor(s). See the subsection on Publicity below for procedures related to publicity. Gifts of marketable securities must be transferred and sold through the U.T. System Office of Development and Gift Planning Services.

No university personnel will delay the processing of cash, stocks, or other security documents. These documents will be processed within one business day.

**Processing of Gifts**

Gifts to the university will be forwarded immediately to the Vice President for Development and Alumni Relations together with written restrictions from the donor (if any). The Vice President is responsible for processing the gift.

Immediately upon receipt of the gift from a donor, a Gift Receipt Form (GRF) should be processed by the Office of Development and Alumni Relations.

1. **Purpose**: The designated use of the gift as expressed by the donor; i.e., Scholarship, Purchase of Goods, or other.
2. **Cost Center**: The appropriate cost center to which the gift is to be credited. If there is a question concerning the cost center to which the gift is to be credited, contact the Academic Unit.
3. **Amount**: The total amount of the gift.
4. **Date**: Date gift information is entered.
5. **Donor**: The name and complete mailing address of the donor.

Gifts-in-kind will be processed in accordance with the paragraphs on gifts-in-kind in the subsection on Acceptance of Gifts above.

**Deferred Gifts**

The Vice President for Development and Alumni Relations is responsible for maintaining records regarding any known gifts that will accrue to the University at some time in the future (wills, trusts, etc.). Immediately upon receipt of information regarding a deferred gift, the Vice President shall notify The U.T. System Office of Development and Gift Planning Services. With the advice and assistance of the UT System Office of Development and Gift Planning Services, the Vice President for Development and Alumni Relations will work with the donor as appropriate.

To assist the Vice President for Development and Alumni Relations in this effort, it is the responsibility of any dean, faculty or staff member who comes into possession of such knowledge to forward the information immediately to the Vice President for Development and Alumni Relations.

Bequests and interests in or distributions from trusts must be reviewed, processed and approved in the U.T. System Office of Development and Gift Planning Services.

**Stewardship Letters**

When a gift has been made to the University, the Vice President for Development and Alumni Relations is responsible for generating the stewardship letter to the donor, including a receipt for income tax purposes when appropriate.

In addition to the above, gifts restricted to a given department or program will be acknowledged in writing by an appropriate person (Program Director, Department Chair, Dean, Director, etc.). Such stewardship letters will be sent to the donor within 72 hours.
Publicity

The Vice President for Development and Alumni Relations, the donor, the Office of Communications, and the administration of the unit or function named in the gift are responsible for coordinating publicity related to gifts. In all cases, the interests and wishes of the donors will be respected.

Depending on the size of the gift, appropriate publicity could include one or more of the following (list not exhaustive):

1. Picture-taking session in the President's Office;
2. News release;
3. Publicity in University publications;
4. Membership in appropriate giving club;
5. Recognition at special events;
6. No publicity (if requested by donor).

Review

This and all other policy and procedure documents concerning gifts to the University shall be reviewed periodically by the Vice President for Development and Alumni Relations in consultation with the President.

Policy History

- Issued: 2000-02-07
- Revised: 2012-05-23

Policy Links

- Permalink for this policy: http://policy.utdallas.edu/utdbp3004
- Link to PDF version: http://policy.utdallas.edu/pdf/utdbp3004
- Link to printable version: http://policy.utdallas.edu/print/utdbp3004