

# Utah Tech University Policy

## 261: Fundraising Authority, Responsibility, and Coordination



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### I. Purpose

- 1.1 To establish ongoing, systematic, and charitable giving policies to support the growth and mission of Utah Tech University (“the University”).
- 1.2 This policy recognizes University Advancement as the sole University entity with authority to procure charitable gifts to the University.
  - 1.2.1 As such, University Advancement directs how and when University employees, students, and other University representatives may engage in activities intended to secure charitable gifts.
    - 1.2.1.1 Through this coordination of efforts, the University can best increase efficiency, ensure fundraising efforts align with the University mission and priorities, optimize donor relations, and ensure all relevant laws and regulations are followed.

### II. Scope

- 2.1 This policy applies to all employees (see University Policy 301), students, and volunteers of the University.

### III. Definitions

- 3.1 ***Charitable Gift/Contribution:*** A voluntary and irrevocable transfer of property (real property, personal property, cash or securities) by the donor to the University, or the University Foundation, for a charitable purpose designated by the donor without any compensation or substantial benefit transferred to the donor in return (other than appropriate recognition or the property being directed toward certain activities within the University).

- 3.1.1 Some private organizations may use the term “grant” in reference to a charitable gift. Provided there is no requirement of quid pro quo, donor ownership, or donor control beyond reasonable designations and criteria placed on the use of the property, any such contribution will be deemed a charitable gift.
- 3.1.2 Property transferred from local, state, and federal government entities is not considered a gift.
- 3.2 **University Foundation (Foundation):** Is the duly established Utah non-profit corporation organized to be a charitable, tax-exempt 501(c)(3) entity that operates exclusively for the benefit of the University. The Foundation may accept and manage charitable gifts to the University. The Foundation is directed by a board comprised of volunteers and University employees. For the purpose of this policy, references to University Advancement shall be presumed to include the Foundation and its board unless otherwise indicated.
- 3.3 **Donor:** Any individual, corporation, foundation, or other entity making a charitable gift.
- 3.4 **Fundraising Activities:** All activities related to procuring private, philanthropic support for the University, including, but not limited to, gift solicitation, gift proposals, prospective donor and donor relationship management, donor events, receiving and processing gifts, gift receipting, development of promotional materials, and public announcements of gifts.
- 3.5 **Gift Solicitation:** Any oral or written request for a charitable gift.
- 3.6 **Gift Valuation (Fair Market Value):** The price of an item that would be agreed on between a willing buyer and a willing seller, with both having reasonable knowledge of the relevant facts. (The University requires qualified appraisals for gift-in-kind donations in accordance with IRS regulations).
- 3.7 **Other University Representations:** Non-university employees representing the University in some official capacity; including, but not limited to, volunteers, board members, and search committee members.
- 3.8 **Receipting:** Documentation confirming the receipt, description, and donor of a charitable gift.
- 3.9 **Sponsorships:** See Policy 262.

- 3.10 *Supervising Executive*: The vice president, associate vice president, or dean who most closely oversees a University department or organization.

#### IV. Policy

- 4.1 University Advancement shall direct all fundraising activities for, or on behalf of, the University. No University offices, employees, students, or other University representative may engage intentionally in fundraising activities without the prior approval of the Vice President of University Advancement or their designee.
- 4.2 All University offices, employees, students, and other University representatives are responsible for directing received charitable gifts to University Advancement for processing, receipting, and reporting purposes.
- 4.3 The Foundation shall be the repository for all charitable gifts made to the University unless otherwise directed and approved by the Vice President of University Advancement.
- 4.4 All fundraising activities shall comply with University policies and procedures and University Advancement operating guidelines, as well as federal and state law.
- 4.5 University Advancement employees shall abide by the highest standards of ethical conduct in fundraising and shall be trained and educated in ethical fundraising best practices. Employees shall be provided with resources to remain familiar with professional standards, including, but not limited to, University policies and procedures, the Council for Advancement and Support of Education (CASE) *Statement of Ethics*, and the CASE *Donor Bill of Rights*.
- 4.5.1 No party in connection with a charitable gift to the University or the Foundation will receive a commission or a finder's fee of any kind.

#### V. References

- 5.1 *CASE Reporting Standards and Management Guidelines*
- 5.2 University Policy 262: *Coordination of Sponsorship and Advertising*
- 5.3 26 U.S.C. § 501 *Internal Revenue Code*
- 5.4 Utah Board of Higher Education Policy R530 *Acceptance of Conditional Gifts*

- 5.5 Utah Code 16-6a *Utah Revised Nonprofit Corporation Act*
- 5.6 Utah Code 53B-20-105 *Institutional right to receive and convert grants, gifts, devises, or bequests*
- 5.7 26 CFR § 1.170A-17 – *Qualified Appraisal and Qualified Appraiser*

## VI. Procedures

### 6.1 Approval Process

- 6.1.1 Prior to engaging in any fundraising activities, all University employees or organizations must secure approval from their supervising executive.
  - 6.1.2 Upon securing approval from their supervising executive, University employees must then secure approval from the Vice President of University Advancement or their designee.
  - 6.1.3 Prior to engaging in any fundraising activities, student groups shall secure approval from University Advancement for the fundraising purpose and the amount and individual or organization to be solicited.
- 6.2 All University offices, employees, students, or other University representatives shall promptly notify University Advancement if they receive inquiries, offers, or information regarding a possible gift to the University.
- 6.3 Any communication to a donor or prospective donor concerning tax deductibility of charitable gifts must be made by University Advancement.
- 6.3.1 If a charitable gift or sponsorship results in the donor receiving material benefits, the value of the benefit must be determined by University Advancement and accounted for in the gift receipt.
  - 6.3.2 Gifts-in-kind should be reported at the fair market value. If the item(s) in the aggregate are valued at more than \$5,000, the donation will require a qualified appraisal by an independent, expert appraiser. The qualified appraisal must be done in accordance with applicable IRS Regulations. The qualified appraisal cannot be made earlier than sixty (60) days prior to the date of the gift. The University does not recommend appraisers to potential donors and University faculty or staff may not provide a qualified appraisal to substantiate a donor's gift valuation. Donation receipts supplied to the donor for gift-in-kind will not reflect a dollar amount. The

amount and tax-deductible nature of a gift-in-kind is rather to be determined by the donor and the donor's tax advisor.

## VII. Addenda – N/A

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Policy Owner: Vice President of University Advancement

Policy Steward: Director of Development

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