



**ADMINISTRATIVE
POLICIES AND PROCEDURES MANUAL**

DATE ISSUE
2/7/00

REVISION

PAGE
A4-100.0

SUBJECT

GIFTS AND GRANTS FROM PRIVATE
PHILANTHROPIC SOURCES

SUB. TOPIC

POLICY ON SOLICITING, ACCEPTING AND PROCESSING GIFTS AND GRANTS FROM PRIVATE
PHILANTHROPIC SOURCES

I. PURPOSE

- A. The basic purpose of this section is to set forth University policies, in accordance with the Board of Regents Rules and Regulations, and 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).
- B. Another purpose is to set forth clearly the responsibilities related to the above subject, of University employees, administrative heads, the University Advancement Office, and the Business Affairs Office.

II. DEFINITION OF GIFTS

- A. For purposes of this document, gifts are defined as follows: Gratuitous transfers of any kind of property, real or personal, which may be contributed to UTD for any restricted or unrestricted purpose by donors from the private sector (individuals, partnerships, foundations and corporations).
- B. 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, published by the Council for Advancement and Support of Education and National Association of College and University Business Officers.
- C. Not included in the definition are grants from public entities (local, state and federal).

III. GENERAL DIVISIONAL RESPONSIBILITIES

- A. The University Advancement Office 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 University Advancement Office must be in a position to know who is giving how much and for what purpose. The Vice President for University Advancement has the responsibility of reconciling records with official University records maintained by the Business Affairs Office.

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B. The Business Affairs Office 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, U.T. 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.

IV. SOLICITATION OF GIFTS

- A. 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 University Advancement. This coordination will occur through prospect coordination meetings. The Vice President, or an appropriate University Advancement Office staff member, may work with the administrators, deans, faculty or staff members on approved fund-raising initiatives.
- B. 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.

V. ACCEPTANCE OF GIFTS

- A. Unrestricted cash gifts to the University may be accepted by the President if they are \$500,000 or less. Gifts in an amount that exceeds \$500,000 must be submitted to the Board of Regents for acceptance via the Component Docket.
- B. Gifts-in-kind to the University must be approved by the Vice President for University Advancement and the appropriate U.T. System Office prior to submission for acceptance.

The Vice President for University Advancement will confer with the President's Cabinet when major gifts are involved. (Note: The University of Texas System Office of Estates and Trusts must approve the acceptance of gifts restricted to establish an endowment or charitable remainder trust or



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given for addition to the U.T. System Pooled Income Fund, or to amend an existing endowment, regardless of value.) Gifts of real estate or minerals and gifts of 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 Estates and Trusts and the Office of General Counsel and processed by the Office of Estates and Trusts prior to acceptance.

The following steps will be followed to obtain official approval:

1. If requested by the donor, the Vice President will sign IRS Form 8283 to acknowledge receipt of gifts other than those processed and approved by the U.T. System Office of Estates and Trusts. If requested by the donor, the Executive Director, Estates and Trusts, will sign IRS Form 8283 for gifts processed and approved by the Office of Estates and Trusts
2. The Vice President for University Advancement will evaluate the proposed gift and forward it for appropriate approval and acceptance.
3. The Vice President for University Advancement 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 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 Estates and Trusts. If requested by the donor, the Executive Director, Estates and Trusts, will sign IRS Form 8283 for personal property gifts processed and approved by the Office of Estates and Trusts. 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.



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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 Subsection IX below for procedures related to publicity.

- C. No university personnel will delay the processing of cash, stocks, or other security documents. These documents will be processed within one business day. Gifts of marketable securities must be transferred and sold through the Office of Estates and Trusts.

VI. PROCESSING OF GIFTS

- A. Gifts to the University, other than gifts-in-kind, will be forwarded immediately to the Vice President for University Advancement together with written restrictions from the donor (if any). The Vice President is responsible for processing the gift.
- B. Immediately upon receipt of the gift from a donor, the two-part Gift Receipt Form (GRF) should be processed by the University Advancement Office.
1. Purpose: The designated use of the gift as expressed by the donor; i.e., Scholarship, Purchase of Goods, or other.
 2. Account Number: The appropriate account to which the gift is to be credited. If there is a question concerning the account to which the gift is to be credited, contact the Academic Unit.
 3. Amount: The total amount of the gift.
 4. Date:
 5. Donor: The name and complete mailing address of the donor.
- C. Gifts-in-kind will be processed in accordance with Subsection V, A and B.

VII. DEFERRED GIFTS

- A. The Vice President 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 University of Texas System Office of Estates and Trusts. With the advice and assistance of

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the Office of Estates and Trusts, the Vice President will work with the donor as appropriate.

- B. To assist the Vice President 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.
- C. Bequests and interests in or distributions from trusts must be reviewed, processed and approved in the Office of Estates and Trusts.

VIII. ACKNOWLEDGMENT LETTERS

- A. When a gift has been made to the University, the Vice President is responsible for generating the acknowledgment letter from the President to the donor, including a receipt for income tax purposes when appropriate.
- B. 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 acknowledgment letters will be done within 48 hours of receipt of the gift and copies of such letters will be sent to the University Advancement Office within 72 hours.

IX. PUBLICITY

- A. The Vice President, the donor, the News and Publications Office, 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.
- B. 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).

X. REVIEW

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