

21.05.01.R0.01 Solicitation and Acceptance of Gifts for the University

Revised November 6, 2023

Next Scheduled Review: November 6, 2028



Procedure Summary

East Texas A&M University, in partnership with the East Texas A&M University Foundation, shall solicit and accept gifts in the form of donations, grants, and endowments.

This procedure establishes the process for the solicitation and acceptance of gifts for the University and is subject to the System Policy 21.05, System Regulation 21.05.01, and University Procedure 21.05.01.R0.02

Procedures and Responsibilities

- 1 The University recognizes that gifts and grants from diverse sources are essential to assist the University in achieving its goals of growth and development and in pursuing its continuing quest for excellence.
- 2 Fundraising is conducted to provide scholarships that recognize need and merit; enhance the teaching/learning environment; provide support for academic excellence through program, faculty, and research support; and to meet capital needs of the University.
- 3 The University seeks investment in the form of gifts, grants, bequests, non-cash gifts, and other forms of financial support from the private sector, as well as grants from various governmental sources.
- 4 Among the forms of investment that the University seeks are:
 - 4.1 Cash: gifts by check, credit card, bank draft, or payroll deduction
 - 4.2 Matching Gifts: cash gifts that are matched by an individual's employer, or an organization where the individual might serve on a board.
 - 4.3 Non-Cash Gifts: may include real and personal property, valuable collections, rare books, etc.
 - 4.4 Appreciated securities.

4.5 Real estate.

4.6 Insurance policies: policies in which the University is named as the primary beneficiary.

4.7 Bequests by will.

4.8 Charitable remainder trusts, gift annuities and other planned gifts.

4.9 Retirement plan designations.

- 5 The Vice President for Philanthropy and Engagement is the Chief Advancement Officer for the University and is responsible for identifying priorities for external support and planning and coordinating the University's search for gifts, including the identification, cultivation, solicitation, and stewardship of gifts and investments from individual, corporate, and foundation prospects.
- 6 The University and the East Texas A&M University Foundation, Inc. (the "Foundation") both perform essential tasks, activities, and services to accomplish the private sector fundraising responsibility.
- 7 Fundraising on behalf of the University is conducted by the Foundation in collaboration with Philanthropy & Engagement and, from time to time, may incorporate specific campaign initiatives.
- 8 The Foundation was established according to the non-profit corporation statute of the State of Texas "...for exclusively charitable, educational and scientific purposes and to assist in the development of [the]...University." It has been granted the status of a tax-exempt 501(c) (3) organization under provisions of the IRS Code, thus making it eligible to accept gifts on behalf of the University.
- 9 Donors may make gifts directly to the University or through the Foundation. The Foundation was established for the express purpose of soliciting, receiving, and investing gifts on behalf of the University. Gifts to either entity are tax deductible to the full extent currently permitted by law.
- 10 In performing the fund raising function, the University and the Foundation share professional staff. This arrangement requires special sensitivity to the needs of the two entities and the affected staff members in the performance of dual roles. The Vice President for Philanthropy and Engagement serves as its Chief Advancement Officer. The Vice President is the principle liaison between the Foundation and the University. The Vice President and all other fundraising personnel are employees of the University; the Vice President reports directly to the President.

- 11 Cash gifts to the University from the Foundation (an affiliated organization) are accepted by the President, or designee, and The Texas A&M University System Board of Regents without prior review by System staff so long as all are within the terms of the Affiliation Agreement. The Vice President for Philanthropy and Engagement is the appointed designee for gifts, non-cash gifts and real estate.
- 12 Acceptance of gifts, non-cash gifts and real estate is subject to the following conditions.
 - 12.1 Gifts of Real Property. All activities involving acceptance of a gift or bequest of real property or mineral rights shall be consolidated in The Texas A&M University System Real Estate Office. All gifts of real property or mineral rights must be reviewed and approved by the Office of Budgets and Accounting and the System Office of General Counsel (OGC).
 - 12.2 Unrestricted Cash Gifts. The President or designee may accept unrestricted cash gifts of less than \$1 million. Greater than this requires prior System staff review. Board action is required for final acceptance.
 - 12.3 Restricted Cash Gifts. The President or designee may accept restricted cash gifts of less than \$1 million as long as the gift is reviewed per System Policy 21.05, prior to acceptance. Greater than this requires prior OGC review.
 - 12.4 Non-Cash Gifts. The President or designee may accept a non-cash gift with a fair market value less than \$250,000. Review and approval from the Office of Budgets and Accounting and the OGC is required if the fair market value is greater than \$250,000 or if the gift involves a partial sale/partial gift transaction.
- 13 It is recognized that personnel across the University may be approached with offers of non-cash gifts. There may be instances when the acceptance of a particular gift would be inappropriate. Following is the process that must be adhered to in accepting non-cash gifts:
 - 13.1 Any University employee or officer must receive administrative approval of non-cash gifts prior to acceptance.
 - 13.2 Donations being considered for the benefit of the University and the Foundation are to be processed through the Office of the Vice President for Philanthropy and Engagement. The Vice President for Philanthropy and Engagement is responsible for review and compliance of gift and procedural standards. Approved gifts will require the following signatures:
 - 13.2.1 Vice President for Philanthropy and Engagement;
 - 13.2.2 Receiving Department Head;
 - 13.2.3 Gift Processing Manager;

- 13.2.4 Accounts Payable Supervisor & Property Manager;
- 13.2.5 University Archivist (if intended for the University's archival collections)
- 13.2.6 Art Gallery Director (if intended for the University's art collections)
- 13.3 The *East Texas A&M University Non-Cash Gift Form* should be completed and submitted for approval prior to the formal acceptance of any donation. The original form should be presented to each approving authority in the sequence indicated to ensure appropriate approval processing. For all donations of equipment, review and approval by the Vice President for Research & Economic Development is a requirement.
- 13.4 If gift value is \$5,000.00 or more, then one independent appraisal using *IRS Form # 8283, Section B* must accompany the Non-Cash Gift form when presented for approval. The appraisal should not be conducted by the donor or University personnel who have participated in the processing of the Non-Cash Gift form.
- 13.5 Upon approval of the donation, the appropriate designated recipient, primarily the University Property Manager, will determine if the gift is eligible for inventory and then assign and affix a property number to the donated item when applicable.
- 13.6 Acting on appropriate administrative recommendation, the Vice President for Philanthropy and Engagement may decline a gift, if the acceptance of said gift would not be in the best interest of the University.
- 13.7 The original documents must be completed and returned to the Office of the Vice President for Philanthropy and Engagement with an explanation of the benefit which the University will derive by accepting the proposed gift.
- 14 The University does not accept gifts, grants, or contracts that include, without limitation, the following:
 - 14.1 Undue restrictions on employment, fellowship, utilization of facilities and equipment, and control of funds;
 - 14.2 Undue external influence, either foreign or domestic, over employment, curricula, goals, objectives, rules, procedures, and the utilization of results derived from research and development activities;
 - 14.3 Activation or establishment of institutes, consortia, programs, and other groups or organizations that would circumvent ordinary constraints and controls of the University.

- 15 Based upon the evaluation of factors described in Section 12 above, the Vice President for Philanthropy and Engagement will advise appropriate University personnel of the acceptance or rejection of the proposed gift.
- 16 The University will not assume any responsibility or liability for gifts in the form of loaned equipment or exhibits, and prospective lenders must be so informed.
- 17 If appraisal is required, donors are responsible for completion and filing of tax form # 8283, Section B through the Internal Revenue Service.
- 18 The Dean of Libraries is authorized to accept directly minor gifts of books and cash gifts for book memorials, but all other gifts, e.g. book collections, equipment, cash, or other items of value, must be accepted under previously stated provisions of this procedure.
- 19 Upon acceptance of any gift to the University or the Foundation, the Philanthropy Operations Office will formally acknowledge the gift and provide a receipt. The Vice President for Philanthropy and Engagement and Gift Processing Manager will ensure appropriate and timely acknowledgement of all gifts.
- 20 Questions concerning this policy should be directed to the Vice President for Philanthropy and Engagement.

Related Statutes, Policies, or Requirements

System Policy [21.05 Gifts, Donations, Grants and Endowments](#)

System Regulation [21.05.01 Gifts, Donation, Grants and Endowment](#)

University Procedure [21.05.01.R0.02 Gifts, Donation, Grants and Endowments](#)

University Non-Cash Gift Form (contact Office of Philanthropy and Engagement)

[IRS Form #8283](#)

Suspends University Procedure *21.05.01.R1.01 Solicitation and Acceptance of Gifts Procedure*

Revision History

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Contact Office

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