4.01.04.00 Solicitation and Acceptance of Gifts

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Policy/Guideline Area

Business and Finance Policies

Applicable Divisions

TCATs, Community Colleges

Purpose

The purpose of this policy is to establish responsibilities and procedures regarding the solicitation and acceptance of gifts to the institutions governed by the Tennessee Board of Regents. T.C.A. § 49-8-203 provides: Board shall have the power to receive donations of money, securities, and property from any source on behalf of the institutions..., which gifts shall be used in accordance with the conditions set by the donor. The Board considers the solicitation and acceptance of gifts to be appropriate administrative responsibilities of institutional presidents and delegates to the presidents the authority to solicit and accept gifts in accordance with the provisions of this policy.

Policy/Guideline

I. General Statement
   A. The Board recognizes the vital importance of gifts to institutional development.
   B. Gifts of real and personal property from individuals and organizations often benefit institutions by making possible the accomplishment of objectives for which support from other sources is limited or unavailable.
   C. Gifts also often represent a means by which the donor may contribute to an aspect of postsecondary education that is of particular interest to the donor.

D. The Board authorizes and encourages the institutions to solicit and accept gifts for purposes that are consistent with their missions.

E. All activities related to the solicitation and acceptance of gifts shall be implemented in a manner which serves the mutual interests of the donors and institutions.

F. To this end, each institution shall develop policies and procedures which incorporate the following provisions.

1. Solicitation of Gifts

   a. The president shall designate the campus official(s) authorized to approve and conduct activities for the purpose of soliciting gifts to the institution.

   b. Criteria and procedures for soliciting gifts shall be established which clearly define appropriate activities and the campus approval process.

   c. Solicitation of gifts which may require a commitment of institutional resources must be approved by the president.

2. Acceptance of Gifts

   a. The president is authorized to accept gifts on behalf of the institution, subject to the following conditions:

      (1) Only the Board may accept a gift if board acceptance is a condition set by the donor;

      (2) Only the Chancellor and Board may accept gifts of real property or any permanent interest in real property, and title must be conveyed to the Board on behalf of the institution; in the name of the Tennessee Board of Regents for the use and benefit of the institution.

(3) Any acquisition of real property by gift or devise which obligates the institution, Tennessee Board of Regents or State of Tennessee to expend State of Tennessee funds for capital improvements or continuing operating expenditures shall be approved by the State Building Commission in accordance with T.C.A. § 4-15-102(d)(2) prior to acceptance by the Chancellor and Board. Any such Deed transferring title to the Tennessee Board of Regents shall not be recorded until the State Building Commission has approved the acceptance of the gift property.

(4) Gifts with conditions that ultimately will require consideration by the Board or Chancellor must be approved by the Chancellor prior to acceptance (e.g., gifts to support the initiation of a new academic program or capital improvement project); and

(5) Gifts of property subject to an indebtedness must be approved by the Chancellor prior to acceptance.

(6) The cost of accepting or keeping a gift in accordance with donor restrictions should not cost more than the benefit of the gift.

b. The president may recommend approval by the Chancellor or Board prior to acceptance of any gift.

c. The president may delegate to a campus official or officials his/her authority to accept gifts on behalf of the institution; however, institutional policies must identify the specific types of gifts that may be accepted by the designated official(s). The acceptance of all gifts is subject to confirmation by the president.

d. Corporate stock given to an institution may be sold by the institution through or in consultation with a registered security broker within 60 days of receipt of the stock certificate, and the sale may be executed by the president or a designated representative.

e. Appropriate procedures must be established for acknowledging acceptance of gifts and for ensuring compliance with conditions set by the donors and in compliance with IRS regulations.

3. Records and Reporting

a. Adequate records of all gifts shall be maintained by the institution in accordance with accepted accounting procedures to allow a proper audit trail.

b. A summary of all gifts to the institution during a fiscal year shall be included in the institution's annual report to the Board, as required by Board Policy (No. 1.02.10.00, Annual Reports).

4. Foundations

a. For purposes of distinguishing institutional gifts and related procedures from those of foundations established pursuant to Board Policy (No. 4:01:07:02, Foundations):

(1) The institution may not accept gifts specifically intended for the foundation, and only gifts specifically intended for a foundation may be accepted by a foundation.

(2) In general, institutional resources may not be used to meet conditions of gifts to a foundation; however, exceptions may be approved by the president or the Chancellor in accordance with the provisions of this policy on acceptance of gifts.

(3) The institution must maintain records of gifts to the institution separate from those of gifts to the foundation.

(4) The institution shall report gifts to foundations in the summary of gifts during a fiscal year to be included in its annual report, as provided in this policy in b. under Records and Reporting.

Sources

Authority

T.C.A. § 49-8-203; T.C.A. § 4-5-102

History

TBR Meeting, September 30, 1983; September 21, 1990; TBR Meeting, March 15, 1991; TBR Meeting March 20, 1992; TBR Meeting March 30, 2007; Board Meeting June 20, 2014.

Related Polices

1.02.10.00 Annual and Institutional Reports

4.01.07.02 Foundations