



## **Solicitation, Acceptance, Processing, and Management of Gifts**

### **Purpose**

The purpose of this policy is to clarify and facilitate the process for making gifts to Stephen F. Austin State University (SFA) and set forth procedures related to soliciting, accepting, and processing of private gift funding, including gifts-in-kind.

### **Persons Affected**

This policy applies to all faculty, staff, volunteers, and students involved in gift solicitation, acceptance, and management for the University.

### **Definitions**

**Gift(s):** For the purpose of this policy, gifts are defined as a voluntary transfer of value, usually in the form of cash, checks, securities, real property or personal property. Gifts do not include sponsored program grants. Gifts may come from individuals, industries, foundations and other sources; recipients can use them for unrestricted or restricted purposes.

**Gift(s)-in-Kind:** Any noncash gift of materials or long-lived assets, other than real and personal property. Gifts-in-kind might include items such as artwork, equipment, printed materials, food, etc. Gifts-in-kind should be reported at the face (or fair market) value and should be related to the mission of the University.

**Donor(s):** A donor may express intent for the designation of a gift including general or specific purposes, which are consistent with the mission of the University. It is University procedure to get donor intent in writing. Donors may not retain any explicit or implicit control over the use of their gift after acceptance.

**Endowment:** A gift, in which the donors have stipulated that the principal must be invested and only the income used to fund a project or need. The principal remains intact in perpetuity, thereby continuing to generate income to be used by the university.

**Loan:** Real or personal property furnished for the temporary use of the university.

**Memorandum of Understanding (MOU):** A written agreement between the university and donor

**Restricted Gift:** Gifts are restricted when constraints on the use of the resources are placed by the donor, laws or regulations and must be used only for the specific purpose stipulated.

**Unrestricted Gift:** Gifts where no constraints as to the method of purpose of expenditures have been placed, leaving the University to determine the appropriate use of such funds.

**Matching Gift:** Gifts made by businesses that match voluntary contributions of employees



**Affiliated Organization:** A nonprofit corporation or association that has been approved for affiliation with SFA and exists primarily for the benefit and support of the University.

## **Policy**

All gift solicitation from private sources by any faculty, staff, or students who represent SFA must be coordinated in advance with the Vice President for University Advancement or designee and all gifts will be accepted and processed through the Office of Advancement Services unless otherwise noted in Regents' Rules and Regulations, Rule 60101, Acceptance and Administration of Gifts or UTS 138 Gift Acceptance Procedures. The Office of Development is the primary source of contact with non-university personnel or entities for development-related purposes, including but not limited to donor stewardship, solicitation of funds, fundraising efforts, and approving and reporting all gifts.

All university departments, including faculty, staff, students, student organizations (as per Student Organization Formation and Recognition) and affiliated 501(c)(3) entities are responsible for coordinating and clearing all fundraising projects funded by individuals, foundations and corporations in advance of the fundraising projects in writing. All fundraising projects shall comply with SFA policies and procedures, as well as federal and state laws.

No employee of the university may accept any gift, loan, endowment, or bequest for the purpose of which is to establish or be used, in whole or in part, as a salary supplement for him/herself or any other personal benefit.

The University will exercise discretion when accepting items of value. The Office of Development must be made aware of all personal property gifts, also known as gifts-in-kind, and all non-cash gifts, such as, but not limited to, gifts of marketable securities, real estate, and/or outdoor works of art. Gifts, loans, endowments and bequests to any entity of the university should be reported through the Office of Development. The terms under which any endowment or bequest is offered and accepted shall be provided in a written agreement between the donor and the university. The general counsel's office shall review any bequests made to the university prior to acceptance by the president. All original deeds of trust, wills, endowments, original records, etc., should be forwarded to the Office of Development for record keeping.

The president of the university has been authorized to accept gifts under the following conditions:

1. A gift, loan, endowment or bequest which may require commitment of funds, personnel, space or other resources shall be approved by the president prior to any commitment or action on behalf of the university.
2. The university is authorized, with prior approval of the president and ratification by the Board of Regents, to accept gifts or devises of real property for the establishment of scholarships, professorships and other trusts for educational purposes provided such property will not require appropriations by the legislature for operation, maintenance, repair or construction of buildings.
3. Privacy of donor identity may be granted by the university with the exceptions noted by the Public Information Act or the Internal Revenue Service when public recognition is not desired by the donor.



## **Procedures**

### Gift Processing and Acknowledgement:

1. Advancement Services is responsible for the timely receipt, deposit, and processing of all gifts in accordance with the Regents' Rules and Regulations Series 60000, Development, and the UT System Systemwide Policy, UTS138, Gift Acceptance Procedures.
2. If a department is approved to accept a gift of any kind, the department must fill out the donation form found through SFA business forms, attach any original documentation relevant to gifts received or that accompanied the gift, and submit to the office of student business services within 5 business days or within 1 business day when deposits accumulate to \$100 or more, whichever comes first. Student Business Services is responsible for forwarding the form and any supporting documents to Advancement Services for the purposes of updating donor records, and official acknowledgment and receipt of gift.
3. In-kind gifts, contributions other than cash, check or other readily negotiable security, retained in a department, program, activity center, or other university facility, must be reported by completing the gift-in-kind form and forwarding it directly to Advancement Services. A comprehensive description of the gift, background information concerning the origin of the gift, value at the time of contribution and any correspondence or wishes of the donor, along with a photograph whenever possible, must be included with the completed form. For those in-kind gifts valued at \$5,000 or more, approval from the dean or appropriate Vice President is required along with a written appraisal signed and dated by a qualified appraiser. Any in-kind gift that will be added to a department's inventory must be approved by the department chair prior to the acceptance of the gift.
4. All gifts, negotiable and in-kind, will be acknowledged officially on behalf of the university by Advancement Services to fulfill the receipting requirements of the Internal Revenue Service, and properly acknowledge that support. Only Advancement Services is authorized to generate official receipts for donors for tax reporting purposes.

Restrictions on the expenditure of gift funds generally reside within the following three criteria:

1. A gift must be expended in accordance with the donor's wishes.
2. The expenditure of the gift funds must be for the demonstrable good of the university.
3. The expenditure must provide no private gain to either the donor or the person controlling the expenditure of the funds.

The use of gift funds must meet all three criteria collectively. Some specific examples of expenditures from unrestricted gifts that may be for the demonstrable good of the university, without private gain for the individual expending the funds, are as follows:

1. awards that recognize or promote faculty development, excellence in teaching, academic achievement, athletic achievement, scholarship, or service;
2. costs related to the promotion of the communication of intellectual ideas among students, faculty, staff and administrators of the university;
3. support of student events and activities sponsored by the university;
4. the recruitment of highly qualified students, faculty and staff;
5. costs related to the promotion of the exchange of ideas with community leaders regarding the role of the university and its programs in the community;
6. costs related to the conduct of accrediting agency visits, visits by other officials from other



institutions or representatives outside higher education;

7. costs related to the support of continuing education activities.

Examples of expenditures which may not meet the criteria established are as follows:

1. any expenditure that violates the restriction placed on the gift by the donor;
2. the procurement of private property for the personal, unofficial use of any faculty or staff member;
3. donations or other payments to a political party;
4. any other expenditure expressly prohibited by law.

Matching Gifts:

1. All eligible matching gift requests will be processed by the Advancement Services upon recording the original gift of the donor. If a matching gift proves to be ineligible, the requesting donor and/or department will be notified.

Naming of Buildings, Facilities, and Programs:

1. The University of Texas System (UT System) Board of Regents' Rule 80307 requires naming recommendations to be forwarded from the President of a component institution to the Board through the appropriate Executive Vice Chancellor and the Chancellor.
2. The Vice President for University Advancement receives, reviews, and approves recommendations for all naming opportunities for university buildings, facilities, and programs of any nature prior to submission to the President for consideration and approval if appropriate.
3. Amounts associated with fundraising necessary for naming consideration are outlined in the university's Overview of Naming Guidelines and Procedures, available in the office of the vice president for university advancement.

### **Related Statutes or Regulations, Rules, Policies, or Standards**

Tex. Gov't Code § 2255.001

Tex. Gov't Code Ch. 2256, Texas Public Funds Investment Act

Tex. Educ. Code §§ 51.001-.009

Regents' *Rules and Regulations*, Series 60000, Development

Regents' *Rules and Regulations*, Rule 80307, Naming Policy

UTS 138 Gift Acceptance Procedures

### **Responsible Executive**

Vice President for University Advancement

### **Forms**

Donation form, Gift-in-kind form

### **Revision History**



**STEPHEN F. AUSTIN  
STATE UNIVERSITY**

Handbook of  
Operating Procedures

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