

Texas A&M International University
Office for Institutional Advancement
Adopted: August 30, 2004
RULES AND PROCEDURES

General Guidelines

In the broadest sense, the purposes of advancement at Texas A&M International University (TAMIU) are:

- 1) To create an awareness within the private and public sector of the mission, goals and opportunities of TAMIU, and
- 2) To develop and implement a plan whereby the resources are obtained to realize these opportunities.

To fulfill these purposes, it shall be the OIA's responsibility to institute an organized program for obtaining gift support from alumni, friends, faculty and staff, corporations, organizations, and private foundations for both annual and capital purposes.

Procedures

These general guidelines are established to meet the following objectives:

- 1) Coordinate the approach(es) to prospective donors in order to prevent multiple requests at the same time or at closely related times,
- 2) Evaluate donor interests and ability to give in order to maximize potential gifts,
- 3) Determine the most appropriate time for solicitation of gifts, and
- 4) Assure that all solicitation is in keeping with the priorities and goals of the University.

To maximize the effectiveness and efficiency of the OIA's services, the guidelines governing fundraising for the benefit of TAMIU and all its functional units are as follows:

1. Coordinating Appeals for Funds and Approaches to Donors

In order to avoid an excessive number of solicitations in the name of TAMIU, it shall be the OIA's responsibility with the TAMIU President's approval to serve as the coordinating agency for all types of fundraising programs and for all solicitations of funds from private individuals, foundations, businesses, corporations, and organizations.

Any member of the University seeking to solicit private funds for any university related purpose must submit the completed *Preliminary Request to Seek External Funds Form* to the OIA.

This request to undertake a fundraising program or to solicit contributions from individuals, private foundations, businesses, corporations, and organizations must first be reviewed through regular channels by the appropriate Director, Chair, Dean, and Vice President.

Activities to be coordinated through the OIA include, but are not limited to:

- a) Annual fundraising campaigns;
- b) Establishment of an “associates,” “friends,” or “membership” program designed to solicit financial support;
- c) Special fundraising efforts appealing to various university constituents regarding sponsorships, scholarships, memorial funds, fellowships, professorships, endowed chairs, etc.;
- d) Fundraising for the construction, expansion, or renovation of a university building, regardless of other sources of funding (with all appropriate approvals);
- e) Requests to private sources for the funding of new or existing academic programs; and
- f) All other programs to raise funds in the private sector.

2. Accepting, Recording and Acknowledging Gifts

It shall be the OIA’s responsibility to officially record and acknowledge receipt of all gifts to TAMIU or any agency thereof, including cash, pledges, securities, trusts, insurance policies, real estate, and other gifts-in-kind.

All gifts and donations must be recorded in the OIA within three (3) days of receipt. The OIA shall maintain a complete and accurate record of every donor to TAMIU and shall submit such information to The Texas A&M University System Board of Regents.

Gifts of \$5,000 or more shall be acknowledged by the TAMIU President, as informed by the OIA, and by others who deem it appropriate. All gifts-in-kind and restricted gifts to TAMIU shall be reviewed by the OIA in conjunction with the unit stipulated to receive the gift, as well as the Executive Committee.

a) Gifts-In-Kind

Gifts-in-kind (art objects, equipment, securities, etc.) should be reviewed with special care to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the usefulness of the gift. Consideration should be given to the cost of maintenance, cataloging, delivery, insurance, display, and any space requirements for exhibiting or storage.

When gifts-in-kind are given to TAMIU and the donor intends on receiving a tax deduction, it shall be the donor’s responsibility, not the University’s, to

obtain an appraisal of the gift. TAMIU shall not become involved in the appraisal process. (Direct involvement could result in the appraisal's accuracy and objectivity being challenged by the Internal Revenue Service).

Information on all prospective gifts-in-kind should be submitted to OIA on the designated ***Gift-in-Kind Form***. When the University acquires the gift, and after the gift agreement is signed, the University shall inventory the gift and it will become the University's property.

The Texas A&M University System Board of Regents makes the final decision regarding the acceptance of the gift-in-kind. In the event that the University cannot accept the gift, the President or an individual designated by the President, shall contact the donor.

b) Restricted Gifts

Acceptance of a gift imposes a legal obligation to comply with the terms established by the donor. Therefore, the nature and extent of this obligation must be clearly understood. Accordingly, the terms of each restricted gift will be reviewed carefully to ensure that they do not hamper the usefulness and desirability of the gift to TAMIU.

Gifts shall be refused or returned when the purpose:

- 1) Is inappropriate or not conducive to the best interest of TAMIU;
- 2) Is clearly commercial; or
- 3) Would obligate TAMIU to undertake responsibilities, financial or otherwise, that it may not be capable of meeting during the period required by the terms of the gift.

c) Real Estate

As per System policy 21.05, "gifts and bequests of real property shall be handled in accordance with System policy 41.01, *Real Property Gift and Bequest Acceptance*, and System Policy 41.05, *Real Property Management Policy*.

3. Setting Minimum Funding Requirements

The OIA shall maintain up-to-date information pertaining to fundraising matters, including the percentage or amount of gifts expected or required to name buildings, endow professorships, endow chairs, establish named scholarship funds, etc.

4. Determining Budget for Fundraising

The formulation of budgets for private fundraising projects is the consultative responsibility of the OIA and the TAMIU President; and where appropriate, the Vice Presidents, the Deans, Chairs, and Directors.

5. Preparing Fundraising Literature

Any literature (including brochures, booklets, and letters) used to attract private funds to TAMIU shall be coordinated through the OIA to ensure dissemination of the most accurate information appropriate to a particular fundraising effort. Accordingly, the OIA shall be responsible for establishing and maintaining a master calendar that incorporates the schedule of all fundraising mailings and solicitations.

6. Reporting Philanthropy

It shall be the OIA's responsibility to compile official records on all gifts.

7. Maintaining Prospect Files

It shall be the OIA's responsibility to establish and maintain prospect and resource files for the purpose of providing timely and relevant information about prospective individual donors, private foundations, and corporations.

8. Involving Volunteers in Fundraising

Whenever volunteers are to be involved in fundraising efforts, it shall be the OIA's responsibility to assist in selecting and recruiting the volunteers and to provide them with the training and information required for effectiveness in soliciting funds, including the absolute need for confidentiality.

9. Identifying and Coordinating Appeals to Corporations and Foundations

It shall be the OIA's responsibility to coordinate the cultivation and solicitation of corporations and private foundations. This coordination will prevent an excessive number of solicitation to any single source of private corporate or foundation funds.

In the case of contract proposals to corporations, the appropriate University unit should notify the OIA in advance so that the corporation's contracted involvement will be reflected in the OIA's prospect files. The OIA should receive a summary statement of all grant proposals including those to state and federal entities.

10. Processing Gifts

The System Office of Budgets and Accounting is charged with administering the review and approval process requirements for Gifts, Donations, Grants, and Endowments (GDGEs). Money collected from GDGEs is deposited in the Business Office after the OIA processes it.

At TAMIU a record of all gifts received by any college, school, department, institute, center, division, or administrative office is to be transmitted to the OIA within three (3) working days after receipt of the gift. All original correspondence pertaining to the gift must be attached to the *Gift Transmittal Form*. This form requests the following information:

- a) Date;
- b) Donor's name and street address (If the gift is from an entity other than an individual – i.e., corporation, foundation, association, etc., an individual's name and title should be reported in addition to that of the firm);
- c) Amount of the gift;
- d) Date of receipt of gift;
- e) Account number and name; in which a gift is to be deposited (if a new account is to be established for the gift, this should be indicated);
- f) Designation (college, school department, institute, center, division, administrative office, program or activity);
- g) Purpose (scholarship, institute, unrestricted, research, general fund, etc.);
- h) Contact person's name and address; and
- i) Other comments or special instructions (If no original correspondence accompanied gift, this must be stated in writing when the gift is transmitted).

All correspondence pertaining to the gift, its handling or use, and a copy of any acknowledgment written by the recipient should be attached to the gift transmittal form along with a copy of the check. Copies of the gift transmittal form and related correspondence shall become a part of the permanent gift files recorded and entered chronologically and alphabetically in the OIA's data management system.

11. Transferring Securities

The Texas A&M University System Treasury Services Office will sell any stock donated to TAMIU as soon as possible after receipt from the donor's broker. In order to provide for the timely sale of the stock, the OIA notifies the Office of

Treasury Services about a donation that is going to occur by providing the following information:

Donor,
Type of Stock,
Number of Shares,
Form of Stock, and
Anticipated Date of Donation.

12. Accepting and Acknowledging Gifts

Upon receipt of a gift and/or any gift-related documents, the OIA shall record the gift and acknowledge the donor.

- a) A complete record of every individual donor's contributions shall be maintained.
- b) Restricted gifts shall be recorded by the use of account codes.
- c) The Vice President for Institutional Advancement shall send personal letters acknowledging all gifts over \$1,000. The OIA shall send form acknowledgments to donors for gifts under \$1,000.
- d) It is the appropriate academic unit or entity's responsibility to notify the spouse or next of kin for memorial gifts given in the name of a deceased friend or relative. Copies of these acknowledgments are to be forwarded to OIA. Gifts-in-kind (securities or negotiable assets, equipment, books, works of art, etc.) require special handling. If the acceptance of a special gift is contemplated or any inquiry about a gift of this nature is received, the OIA should be contacted immediately. The need for independent appraisals and the tax consequences resulting from non-monetary gifts are two of the concerns that must be resolved prior to their acceptance.

13. Obtaining Clearance

To avoid institutional and donor embarrassment, individual or multiple appeals and/or solicitation of gifts from businesses, individuals, organizations, corporations, or foundations must be cleared through the OIA. The ***Preliminary Request to Seek External Funds Form*** should be completed to initiate this process and then forwarded to the OIA.

14. Discouraging Undesirable Gifts

“Undesirable” gifts are those:

- a) Restricted in use based on race, color, religion, creed, nationality, or gender;
- b) Restricted in beneficiary to relatives or descendants;

- c) Reserving the designation of beneficiary of gift to the donor or his or her assigns: i.e., scholarships, fellowships, professorships (such “gifts” restrict donor tax consequences);
- d) Restricted to the future employment of the recipient of any gift;
- e) Restricted by interest rates and conditions for repayment of loans; or
- f) Involve any proposed endowment fund of less than \$5,000 for which additional sums are not guaranteed and certified in writing.

15. Recognizing Donors in Endowment Funds

Named endowment funds can be established only for those amounts exceeding \$25,000 as appropriate for the purpose requested. Named funds indicated herein are minimal and shall be “open-end funds” (available for additions to capital) unless the donor restricts such flexibility, subject to the TAMIU President’s preliminary acceptance and The Texas A&M University System Board of Regents’ final approval.

16. Soliciting Group Funds

The solicitation of institution-maintained funds to be used or administered by officers, faculty, or staff should be solicited in the name of the institution only when approved in advance through appropriate channels: Director, Chair, Dean, Vice President, OIA, and the President when controlled by the University for educational purposes. The Business Office must deposit and account for all University funds.

17. Specific Gift Naming Opportunities

Gifts to honor, memorialize, or otherwise recognize individuals shall be subject to The Texas A&M University System Board of Regents’ approval in advance of receipt. Recognition markers, plaques and portraits may be funded from a portion of the named gift as indicated in the Gift Agreement.

a) Academic Units and Programs

- 1) The naming of a College or School is subject to approval by the TAMIU President and The Texas A&M University System Board of Regents.
- 2) The naming of a specific academic department that represents special circumstances or opportunities is subject to approval by the TAMIU President and The Texas A&M University System Board of Regents.
- 3) The amount required to name a University Institute or Center or academic department is to be determined by the TAMIU President and The Texas A&M University System Board of Regents.
- 4) Other named endowments, such as lecture series, special academic programs, etc., may be established within a college, school,

department, institute, center or division. Minimum gifts for naming such activities will be recommended by the Dean of a particular college or school or Vice President for Academic Affairs to the TAMIU President with final approval by The Texas A&M University System Board of Regents.

b) Endowed Chairs, Professorships, Fellowships, and Scholarships

It shall be the general policy of Texas A&M International University to approve the establishment of activities supported by unrestricted funds, upon the receipt of resources described below and according to The Texas A&M University System's general policies.

Minimum dollar amounts for endowment fund objectives gifted herein will fluctuate. As the nation's economy expands, inflation spirals, and costs rise, so must endowment minimums.

1) Building an Endowment

TAMIU may establish an endowment fund with amounts less than those stated herein. If, within a reasonable period of time from the date of the receipt of first resources and approval of the donor, the entire principal thereof (including capitalized earnings and additional gift) shall equal at least one-half of the stated minimum of the desired objective. If one-half of the minimum fund has not been so provided in a reasonable time, and after good faith efforts have been made to fund at the stated amount, the fund may be terminated and the amounts given used for the general institutional purposes most resembling those desired by the donor. The earnings from a fund established as herein provided and not terminated shall continue to be capitalized annually until the minimum stated above has been reached and the purposes of the fund activated.

2) Ensuring an Endowment

A fund may also be activated when it is under the stated minimum if the donor undertakes a binding obligation to supplement the income of the fund with annual gifts to complete the endowment or with irrevocable estate plan provisions.

Faculty and student related endowments may be named in honor of the donor or another designated individual subject to existing guidelines by The Texas A&M University System Board of Regents.

- a) Donors interested in an area of study within the basic academic offerings of the institution in the form of an *Endowed Chair* may establish such a fund for a sum of not less than \$1,000,000. Endowed

chairs for physical and biological science studies shall be established to cover all costs of salary, travel, and laboratory expenses for a sum not less than \$1,500,000. Such endowments are intended to relieve budgets rather than expend them.

- b) The creation of an *Endowed Professorship* requires a minimum gift of \$350,000.
- c) To establish a named *Faculty Lectureship*, a minimum gift of \$150,000 is required.
- d) To establish a *Distinguished Visiting Professorship*, a minimum gift of \$100,000 is required.
- e) A *full scholarship* may be endowed with a minimum gift of \$25,000. The minimum amount to set up a named endowed scholarship account is \$5,000. Named endowed accounts are expected to reach the target minimum stated in the gift table generally within five years after initiation.
- f) A *Fellowship* may be endowed with a minimum of \$300,000.
- g) Colleges or Schools and Divisions or Departments may have other named scholarship opportunities available to donors. Minimum gift levels for these programs shall be recommended by the respective Dean or Director through the Vice President for Academic Affairs and approved by the TAMIU President prior to forwarding to The Texas A&M University System Board of Regents' Naming Committee.

c) Physical Facilities

- 1) Naming buildings and facilities is subject to the TAMIU President and System Board of Regents' approval. Generally a gift of 20% of the estimated or actual cost is required for naming a building.
- 2) Required gift levels for the naming of parts of any building, i.e., labs, lecture halls, seminar rooms, streets, fields, etc. will be recommended to the Texas A&M University System Board of Regents by the TAMIU President in consultation with the appropriate Deans and Vice Presidents. Minimum gift levels will take into consideration the facility's visibility, the nature of the activity housed in the "Named" area, and other relevant factors.

18. Maintaining Institutional Advancement Data Confidentiality

The OIA will observe all laws and regulations applicable to other information held by the University. The staff will be expected to honor the *Security and Confidentiality Procedures*.

19. Solicitation of Texas A&M International University

The OIA is charged with the responsibility of maintaining records on all TAMIU alumni. It may use only non-state funds for the support of alumni activities.

In addition, TAMIU annual fund has first priority on the solicitation of annual gifts from the alumni. In some cases, alumni have specific interests and may respond to solicitation by academic units. However, these solicitations must be made within the overall annual fund. No University personnel, academic units, or administrative departments should conduct any solicitation drive or campaign without first clearing the process with the appropriate Directors, Chairs, Deans, Vice Presidents, the OIA, and the President.

20. Reporting of Private Sector Gifts

Monthly and annual reports of all private sector gifts are prepared in the OIA and are submitted to the TAMIU President who submits the reports to the Chancellor and The Texas A&M University System Board of Regents.

21. Documenting Visitation/Solicitation Reports

The OIA staff will be responsible for submitting to the Vice President for Institutional Advancement monthly documentation of visits and solicitation to prospective donors. The Vice President for Institutional Advancement is responsible for updating the TAMIU President regarding this activity.

22. Publicity Regarding Gifts

Publicity regarding gifts can only be released after the University receives the signed gift agreement. The OIA will develop publicity options through the Office of Public Affairs and Information Services. Publicity options are presented to the donor for the donor's final decision. Publicity procedures may be incorporated into gift agreements. The donor will approve final publicity prior to release. All publicity must be consistent with the TAMIU mission and The Texas A&M University System Policies and Regulations. All publicity will be reviewed by the President, and Chancellor when appropriate.

23. Policy Review

This policy is subject to review as needed, and university wide input will be solicited on an annual basis. It is the responsibility to facilitate this review process by all appropriate University entities, and final approval for deletions, additions or revisions rests with The Texas A&M University System Office of General Counsel.

24. University Fund

All gifts are subjected to a 5% that will be deposited in the University for activities that are not appropriated for in the legislative session.

25. Investment Policy

Gifts are usually invested in The Texas A&M University System Endowment Fund or Cash Concentration Pool. This allows for maximum return on the gift due to the comprehensive portfolio of the Texas A&M University System.