



REASON FOR POLICY

This policy defines the recognition process, the relationship, role, and responsibilities of the university foundation.

ENTITIES AFFECTED BY THIS POLICY

All units of the university and the university foundation

WEB SITE ADDRESS FOR THIS POLICY

TBD

RESPONSIBLE OFFICE

For questions about this policy, please contact Office of the President at 541-346-3036 or pres@uoregon.edu.

ENACTMENT & REVISION HISTORY

Became University of Oregon policy by operation of law on July 1, 2014.
Former Oregon Administrative Rule 580-046-0005 through 580-046-0045

POLICY

1. Recognition of a Foundation

- 1.1. The University of Oregon (University) president (President) may award recognition as an institution foundation (Foundation) to an entity that meets and maintains the requirements of these rules.
- 1.2. Only one entity may have recognition as the Foundation. All private support of the institution not provided directly to the University shall be through the Foundation, or affiliated or associated organizations.
- 1.3. To be eligible for recognition and to maintain continued recognition, the Foundation must:

- a. Be created and operated with the primary purpose of support of the University;
 - b. Have as its purpose the solicitation, management and/or investment of private support for the benefit of the University; and
 - c. Be organized and operated in a manner to permit compliance with this policy.
- 1.4. An entity seeking recognition as the Foundation shall submit to the president for review its:
- a. Articles of incorporation;
 - b. Bylaws;
 - c. Any other of its organic or enabling documents; and
 - d. All subsequent amendments.
- 1.5. The President shall notify the governing body of the Foundation in writing of recognition and that compliance with these rules is a condition of continued recognition.

2. Privileges and Responsibilities of Recognition

- 2.1. Privileges of recognition by the President may include:
- a. License to use the institution name, logos, informal seals, symbols and marks; and
 - b. Other privileges and responsibilities as agreed upon in a Memorandum of Agreement.
- 2.2. No individual, group or entity not awarded recognition under this policy shall use any of the privileges described in this policy or otherwise make use of the University name except as expressly approved by the University by license or contract.
- 2.3. The Foundation's governing body promptly shall provide to the President a resolution of acceptance of the condition expressed in this policy and such resolution of acceptance, in the form of a Memorandum of Agreement, shall be reaffirmed annually.

3. University Foundation Organization, Affiliates, Relationships

- 3.1. The Foundation shall be organized and operated pursuant to the Oregon nonprofit corporation law.
- 3.2. The Foundation shall obtain and maintain status as a tax-exempt entity pursuant to **Section 501(C)(3)** of the federal **Internal Revenue Code** and other similar Oregon statutes.
- 3.3. The Foundation's articles of incorporation or other governing documents shall require that, upon its dissolution or withdrawal of recognition, the Foundation's net assets shall, within the limitations imposed by legal and fiduciary rights and responsibilities, be distributed to the University that awarded recognition, or another entity that has been awarded recognition by the University.

- 3.4. The Foundation may include as part of its organization one or more affiliates that support a particular unit or activity of the University but that are not separately incorporated.
- a. An affiliate may have an advisory board that reports to and is advisory to the Foundation governing body. University employees may serve on an affiliate's advisory board so long as they do not comprise a majority of the advisory board membership nor a majority of any quorum of such body. University employees may provide staff support for an advisory board.
 - b. The Foundation shall not delegate to an advisory board of an affiliate its authority to hire personnel or to enter into contracts.
 - c. A member of each advisory board of an affiliate should serve on the Foundation governing body whenever possible.
 - d. No entity shall become an affiliate of the Foundation until the affiliation is approved in writing by the President.
- 3.5. The Foundation may establish or associate with another entity interested in the University, provided:
- a. The President in writing approves of such relationship prior to any operations;
 - b. Such relationship does not impair or circumvent the requirements for Foundation independence; and
 - c. All for-profit activities are approved by the President.

4. Foundation Independence from the University

- 4.1. The Foundation shall be independent of the University.
- 4.2. To assure independence, the Foundation's governing body, employees, and agents:
- a. Shall not be subject to control by the University or a University employee;
 - b. Shall not give the appearance that the University or any of its officers or employees control the Foundation or its property, including investment of gifts and endowments made to the Foundation.
 - c. No University employee may be a voting member of a governing body of the Foundation.

5. President's Responsibilities, Additional Rules

- 5.1. The President or designee shall be, and other University employees may be, ex officio, nonvoting members of the Foundation's governing body and of any executive or similar committee empowered to act for the governing body.

- 5.2. The President shall monitor Foundation activities and Foundation relationships to ensure compliance with this policy.
- 5.3. The President may establish additional written policies and guidelines applicable to the Foundation consistent with this policy.

6. Foundation and University Operational Procedures

- 6.1. A University employee may encourage gifts to the institution directly as well as through the Foundation.
- 6.2. In accepting gifts of any kinds, the Foundation shall:
 - a. Obtain University approval of any restrictive terms and conditions, and advise donors that a restricted gift for the benefit of the University may not be accepted without University approval; and
 - b. Coordinate with the University's development office or other appropriate University officer regarding funding goals, programs or campaigns proposed by the University.
- 6.3. The Foundation shall report gifts to the Foundation and to the University as a result of Foundation activities. Such reports shall be made annually to the president.
- 6.4. Revenue received from a University activity, other than through normal development activities, shall not be deposited in a Foundation account.
- 6.5. The University and the Foundation shall develop and implement guidelines regarding the identification of funds so that the intended donee, whether University or Foundation, actually receives the funds, subject to the following:
 - a. If the Foundation is the intended recipient of funds made payable to the University, the funds shall first be deposited in a state account and then transferred to the Foundation.
 - b. Funds payable or gifts made to the University shall not be transferred to the Foundation unless accompanying documents demonstrate that the Foundation is the intended recipient.
 - c. If the Foundation deposits funds in its accounts or receives other gifts intended for the University, the Foundation shall transfer those funds or gifts to the University.
- 6.6. Salaries, consulting fees, loans, perquisites or other benefits provided to or on behalf of a University employee, other than a student employee, by the Foundation shall be:
 - a. Approved by the Board of Trustees when paid to the President or other employee appointed directly by the Board of Trustees.
 - b. Approved by the President in writing.

- c. Paid by the Foundation to the University, which in turn will make payments to the employee in accordance with normal University practice.
- d. This subsection is not applicable to reimbursements for actual and necessary travel and other expenses incurred for authorized University or Foundation purposes that are reported by the Foundation to the President annually.

6.7. University Contract with Foundation:

- a. The University may provide pursuant to a written contract limited and reasonable support to the Foundation, including but not limited to the cost of utilities and janitorial services and all or part of the salary and related personnel costs of staff support, from funds otherwise available to the University. As used in this policy, staff support is assistance by any personnel whose responsibilities and activities exclude policy making and other functions that would nullify the independence of the Foundation from the University.
- b. The University shall contract with the Foundation regarding the terms and conditions for support and may contract for other purposes consistent with this policy. Any such contract and amendments thereto shall:
 - A. Accurately and fully describe the extent of such use and support and the consideration therefor;
 - B. Be approved by the President or their respective designees.
 - C. Funds received by the University because of a contract with the Foundation shall be placed in a current restricted account that is not a depository for donated or gift money.

7. Foundation Activities

7.1. Financial and other activities of the Foundation shall be administered and reported in accordance with law, prudent business practices and generally accepted accounting principles.

7.2. Audits and Financial Reports of the Foundation:

- a. The Foundation shall be audited annually by a certified public accountant. The audit report shall be provided promptly to the President. The audit report shall be accompanied by a current list of Foundation officers, directors, trustees, managers and legal counsel and the officers of any group or entity described in Section 3.4 and 3.5 of this policy.
- b. The Foundation shall permit the President, using University internal auditors, to inspect and audit all Foundation books and records at reasonable times. The Foundation shall provide such reports of and information on its financial status and operations as

required by the President in order to assure conformance by the University and the Foundation with this policy.

8. Revocation of Recognition

- 8.1. The President may revoke recognition as provided therein, if the President finds that a Foundation or its operation conflict with this policy or the mission of the institution.
- 8.2. Prior to ordering revocation of recognition, the President shall notify the Foundation's governing body of the reasons that could form the bases for revocation of recognition. Within 30 days of receipt of the President's notification, the Foundation may in writing propose actions to remedy the deficiencies described by the President.
- 8.3. If the President approves the proposed actions, the Foundation's governing body shall implement the proposals within a time specified by the President.
- 8.4. If the President rejects the Foundation's proposed actions or finds that they are not adequately implemented, the President may revoke recognition by a written order to the Foundation's governing body specifying the reasons for revocation.
- 8.5. An order revoking recognition may be appealed to the Board of Trustees if filed with the University Secretary within 30 days of the date the President issues the order revoking recognition. The Board of Trustees shall review the President's decision but shall not reverse that decision unless the Board finds the President acted arbitrarily or capriciously.
- 8.6. An order revoking recognition shall terminate the Memorandum of Agreement and the privileges of recognition.

RELATED RESOURCES