	Gift Solicitation and Deposit Policy	Responsible Administrative Units: CSM Office of Finance & Administration CSM Foundation
	Issued: September 2010 Revised: January 2011	Policy Contacts: Roger A. Cusworth (RCuswort@mines.edu) Linda Landrum (Llandrum@mines.edu)

1.0 BACKGROUND AND PURPOSE

Colorado School of Mines (the School) relies on gift support from the private sector. Such gifts enrich the educational experience at Mines, providing for scholarships, classroom and laboratory equipment, faculty development and support, academic programs, library acquisitions, new facilities and student activities. Private gifts inspire the campus community to reach new heights in teaching, learning, and research.


A gift is an item of value given to the School or to the Colorado School of Mines Foundation (the Foundation) by a donor, and the donor neither expects nor receives anything of economic value in return. The School and the Foundation provide the donor no consideration in exchange for the gift other than recognition of the gift and the assurance that the disposition of the gift will be handled in accordance with the donor's wishes.

Recently, the School and the Foundation entered into an operating agreement due to a desire to formalize their relationship. As memorialized in the agreement, the Foundation supports the School through its gift raising, receiving, holding, and investing services, and is organized as a 501(c)(3) tax exempt entity solely for the benefit of Colorado School of Mines. While the School is a tax exempt entity (as a state agency) and therefore can receive tax deductible gifts, the operating agreement makes it clear that the School intends for the Foundation to be its fundraising and gift receiving arm. The Foundation invests donor directed funds and develops and maintains donor relations on behalf of the School.

Thus, it is important for all School and Foundation personnel to communicate the distinctive roles and relationship between these two entities to donors. To assist in this process, the Foundation will communicate with current donors to inform them of this distinction. Additionally, the School and the Foundation are issuing the following policy and procedures for the solicitation and deposit of gifts.

2.0 DEFINITIONS

2.1 Fundraising Events: An event at which a required monetary payment to attend or participate includes both a gift component (charitable contribution) and a non-gift component (goods and/or services are provided or available to the attendees, sponsors, or donors). A *fundraising event* will most often be completed in a single day; however, the event may consist of a multi-day, singularly identifiable event, such as a trip or cultural celebration weekend. This type of event differs from a *conference* in that some portion of the attendees' payment is intended to be tax deductible. Examples of *fundraising events* include the collection of gifts or

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money through sale or auction of merchandise or services, collection of registration or sponsorship fees with a promise of a tax deduction, imposition of admission charges or registration fees with a promise of a tax deduction, and/or membership fees.

2.2 Discretionary Gift Funds: Donations received either through the Foundation or directly by the School that do not contain specific restrictions from the donor as to how the money may be spent.

3.0 POLICY AND PROCEDURES

3.1 Solicitation of Gifts

The Foundation's Office of University Advancement will serve as the coordinating point for all solicitations of private donations in support of the School other than:

- 1) Fundraising Events; or
- 2) Those that involve student clubs, student activities, or departmental sponsored activities, such as lift-a-thons, bake sales etc., where donations are not expected to exceed \$1,000 per donor.


Administrators, Department Heads and other School representatives who have reason and opportunity to solicit donations, other than for (1) or (2) above will coordinate their efforts with the Foundation well in advance of such solicitation. All solicitations should indicate that the Foundation is the gift receiving entity for the School, and checks or other forms of payment should be directed to it. Solicitations may include but are not limited to: direct mail, articles, ads, newsletters, or personal solicitations.

Administrators, Department Heads and other School representatives who are involved with (1) or (2) above should contact the Controller's Office during the planning stages of the activity to obtain the appropriate guidance on how the event or activity should be conducted and accounted for.

3.2 Deposit of Gifts

3.2.1 Gifts of Cash (checks) other than from (1) or (2) above: All cash gifts intended for support of the School, received by any employee of the School or Foundation, and regardless of how the check is made out, are to be delivered to the Foundation (Office of University Advancement - OUA) for processing.


Foundation staff will determine and execute the appropriate action on each gift as follows:

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- 1) Gifts made out to Colorado School of Mines Foundation (CSM Foundation, CSMF, fund name, etc.): deposit with the Foundation and use normal procedures thus generating usual acknowledgements.
- 2) Gifts made out to Colorado School of Mines (CSM, CSM (department name), fund name, etc.):
 - a) **Gifts of less than \$10,000:** Will be deposited in the Foundation and processed through the usual means and manner *IF accompanied by:*
 - i) A pledge card or other gift vehicle evidencing the gift was solicited by or in the name of the Foundation.
 - ii) A donor letter indicating a specific account number or name that exists in the Foundation (e.g., Mathematics Fund; XYZ Scholarship).
 - iii) Documented clarification from a development officer or campus representative indicating that the gift was solicited by the Foundation and that the donor is aware the gift is to be deposited with the Foundation.

If items i) – iii) above are not available, a Foundation staff member will contact the donor for permission to deposit the gift through the Foundation. If permission is granted and documented, the gift will be processed through the usual means; if not then the gift will be delivered to the School but processed as outlined in c) below.

- b) **Gifts of \$10,000 and more:** A Foundation staff member will contact the donor and seek written confirmation from the donor of their intent.
 - i) If documented donor intent is that the gift be given to and administered by the Foundation, then the gift will be deposited with the Foundation and processed through usual means.
 - ii) If documented donor intent (or no documentation received to the contrary) is that the gift be given to and administered by the School, then the gift will be deposited with the School, but acknowledgment of the gift will be processed as follows:
- c) **Gifts intended to go to the School:**
 - i) Before delivery of the funds and documentation to the School, Foundation staff will copy all documentation and process the gift using a code that indicates the gift was made directly to the School. The gift will be included in the Foundation's donor records and fundraising totals but will not be recorded on the financial books of the Foundation. The Foundation staff will generate an appropriate gift receipt or acknowledgement for gifts deposited by the School on School letterhead to be signed by the Vice President for University

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Advancement (VPUA) in his/her capacity as an appointed agent of the School.

- ii) The Foundation will provide the School with any documents or donor agreements that show donor restrictions for gifts directly received by the School. The School will use these documents to properly categorize the type of net assets in its financial statements.

All of these actions are to take place in a timely manner.

3.2.2 Gifts of Cash (checks) related to Fundraising Events or that involve student clubs, student activities, or departmental sponsored activities, such as lift-athons, bake sales etc., where donations are not expected to exceed \$1,000 per donor:


- i) Cash and checks, which should be made payable to the School, should be deposited through CASHNet into the appropriate Index/FOAP using one of the following revenue accounts:
 - 4402 – gifts;
 - 4403 – Banquet/Conference Contributions
 - 4404 – Student Fundraising
 - 4405 – Auction Fundraising
- ii) The Controller’s Office will work with the Department staff or other School representative to generate appropriate gift receipt or acknowledgements deemed necessary. The Controller’s Office will also inform University Advancement if donations are received that exceed \$1,000 per donor to ensure those donors are properly tracked in the Foundation’s donor records.

3.2.3 Gifts of Securities, Other Publicly Traded Assets, and Real Estate:

The Foundation should be notified immediately of any notice or offer of gifts of securities, other publicly traded assets, or real estate. The Foundation will work directly with the School’s Senior Vice President for Finance and Administration (SVPFA) to execute due diligence and to determine appropriate action with regard to accepting these offers.

Gifts of securities or other publicly traded assets must be directed to the Foundation and will be handled in the same way as cash gifts.

Gifts of real estate to the School will be accepted and managed by the School, subject to the CSM Board of Trustee’s approval as appropriate, and gifts to the Foundation will be accepted, managed and sold by the CSMF Property Management Corporation.

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3.2.4 Gifts of Intellectual Property, Equipment and Other Tangible Property:

Gifts of intellectual property (e.g. patent), equipment or other tangible property (e.g., art, museum quality rock specimens, etc.) that are for the use of the School will be accepted, recorded and inventoried by the School under the auspices of the Foundation's VPUA and the School's SVPFA. The VPUA's office should be notified immediately that such a gift is in the offering. The VPUA (or his/her designee) will coordinate with the receiving department and the School's Controller's office to assure its acceptability to the School and to assist in gathering all appropriate information for tax reporting, gift acknowledgement, and due diligence. A CSM Gift of Property form will be completed by the beneficiary department, all appropriate documentation will be attached, and the packet sent to the Office of University Advancement. A copy will be sent to the Controller's office so that the item may be added to the university's inventory records.