Memorandum to Presidents

Date: June 26, 1975
From: Office of the Chancellor
Subject: Guidelines for Campus-Related Foundations

I'm pleased to send to you a copy of the Guidelines for Campus-Related Foundations as adopted by the Board of Trustees on May 28, 1975. By this policy statement the Trustees have formally recognized that campus-related foundations are valuable adjuncts to the University and its programs. Prescribed in the statement are minimal guidelines for foundation establishment and continued operation.

One of the guidelines on fiscal management reaffirms the authority of the University and the State Comptroller to postaudit the financial standing and operations of these foundations. Although some campuses have questioned the need for this requirement, the Trustees have concluded that the interrelationships brought about by the fiscal operations of campus-related foundations in connection with University programs and purposes make it essential that such foundations be subject to postaudit. I'm advised, furthermore, that postaudit will not defeat any legitimate foundation role or impair the integrity of these privately incorporated charitable corporations.

As you know, I'm grateful for the extraordinary assistance these foundations continue to provide to the University.

[Signature]

Beverly L. Boyer

Attachment
Memorandum to Presidents
June 26, 1975

This memorandum addressed to:

Presidents, State-operated Campuses

This memorandum for information only:

Deans, Statutory Colleges
Presidents, Community Colleges
Chancellor Kibbee
Dean McGrath
President Rose
Mr. Tobin
Chairmen, College Councils
Chairman, Board of Trustees of
College of Environmental Science
and Forestry
STATE UNIVERSITY BOARD OF TRUSTEES

Resolution Adopted May 28, 1975

Guidelines for Campus-Related Foundations

Whereas privately incorporated charitable foundations have been established for the benefit of various State-operated campuses to serve as a means of organizing and effectuating college development programs; and

Whereas the Chancellor's Committee on Campus Foundations was established to examine the place of campus-related foundations in the solicitation and administration of gifts provided for University purposes; and

Whereas this Committee has recommended that the Board of Trustees recognize and clarify the relationship of such local foundations to the University by the adoption of guidelines concerning their role and operation; and

Whereas this Board recognizes, as a matter of University governance, that a policy statement should be adopted to define the relationship of campus-related foundations to the State University since such foundations actively support and participate in fulfilling University purposes; now, therefore,

Resolved that the Board of Trustees support the establishment and continued operation of campus-related foundations in the fulfillment of State University purposes, in accordance with the following guidelines:

A. Relationship to the University. Development programs are appropriate and essential activities of each campus in establishing productive relationships with the local community and in seeking voluntary support which will provide fiscal flexibility in responding to University needs. The primary responsibility for the acceptance and administration of such support, in the form of gifts, grants and endowments, is vested by the Education Law in the Board of Trustees of the University. It is recognized, however, that local private campus-related foundations are valuable adjuncts to University efforts in this important area of college development programs.
B. Function and Organization. The primary role of a campus-related foundation should be the solicitation and management of funds in accordance with the provisions of its corporate charter as a private not-for-profit corporation under the laws of the State of New York. The charter of the foundation should relate to the college it will benefit in terms of purposes, objectives and programs. It is desirable that not more than one private campus-related foundation be established to function for the benefit of the entire campus. Whatever the organization of the foundation, the campus chief administrative officer should have direct access to the board and officers of the foundation so that the work of the foundation will be channeled toward the realization of University purposes. The terms and conditions under which a foundation may use the name, facilities and the personnel of the University in the foundation's corporate operations should be determined by appropriate contract or other agreement.

C. Administration of Funds. Foundation funds are recognized as supplementary to State-appropriated funds and not as substitutes therefor. However, foundation funds should be solicited, managed and used for purposes which are supportive of University programs and goals and for purposes which are consistent with the Master Plan, policies and regulations of the University. Where such funds are to be expended on University property, using University employees or equipment or under such circumstances as will require reciprocal or collateral University involvement and expense, the prior approval of the chief administrative officer of the campus shall be secured. Approval shall not be available for the administration of sponsored programs for which the Board of Trustees has designated The Research Foundation of State University of New York as fiscal administrator, as reaffirmed in Resolution 64-87, adopted May 14, 1964.

D. Fiscal Management and Accountability. The operations of a foundation should be in compliance with all laws and regulations affecting private charitable corporations. All funds received and administered by a campus foundation should be accounted for in accordance with generally accepted accounting principles. An audit shall be made annually by an independent certified public accountant. The results of such audit, as well as an annual report of the foundation, shall be provided to the campus chief administrative officer who shall forward these reports, with appropriate comment, to the Chancellor. The financial standing and operations of the foundation shall be subject to post-audit by the University and the State Comptroller; and, be it further

Resolved that the Chancellor, be, and hereby is, authorized to develop supplementary guidelines, not inconsistent herewith, in the implementation of this policy statement.