State University of New York

Memorandum to Presidents

Date: June 3, 1982

From: Office of Finance and Business
Office of University Affairs and Development

Subject: Campus Development Programs and Campus-Related Foundations

Several important actions recently have taken place that affect campus fund-raising activities and that require revision of Board of Trustees and Central Administration policy regarding development programs. These actions, collectively, represent a significant breakthrough in achieving important State recognition of, and support for, fund-raising efforts by SUNY State-operated campuses and Campus-Related Foundations. They should remove much of the ambiguity that has marked development activities in the past and clouded the priority attention that has been given this area by the Board and the Chancellor. They also should serve to encourage more campuses to step up their efforts to secure important support from the private sector, support that can be crucial to campus programs to achieve excellence.

Areas that require policy guidance are described in detail below:

1. Establishment of State-funded development positions.

The Executive Budget for 1982-83 provided "seed-money" to establish development offices at State-operated campuses to "enhance private, alumni and corporate support of desirable University programs as well as strengthen the outlook for long-range support of a system of this size and importance." This represents the first formal State recognition of the development function at the campus level.

The budget, as adopted by the Legislature, authorizes the establishment of State-funded development positions for campus development offices. Two types of positions are approved (see Attachment A for job descriptions and PR grades):

A. Vice President for University/College Relations and Development

B. Director of Development
As the job descriptions clearly indicate, there is a significant difference between the responsibilities of the two positions. To qualify for the vice presidential position, the campus must include responsibility within the position for all campus advancement activities, including public relations and information, and alumni relations, as well as development. Campuses may now move to establish these positions where authorized or to reclassify existing positions by following the usual procedures with respect to personnel matters. Where new development positions have been authorized, however, campuses may not use these positions for other purposes.

The issue of support positions for development offices is to be addressed on a campus-by-campus basis. These may be provided either through interim reassignment of existing staff or through non-tax levy support.

It is expected that the incumbents of the development positions will work closely with the efforts of Campus-Related Foundations.

2. Contracts with Campus-Related Foundations

The original Board of Trustee Guidelines for Campus-Related Foundations, adopted in 1975, required that 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."

Since many Campus-Related Foundations were relatively inactive during this period and had not begun aggressive actions to secure private sector support for the campuses, little was done to implement this requirement. However, in recent years, the Department of Audit and Control, in its periodic audits of campuses and their foundations, has consistently noted the omission of a contractual relationship.

Some time ago, the Offices of University Affairs and Development and Finance and Business, with the assistance of the Office of University Counsel, entered into negotiations with the Division of the Budget on the development of a model contract that would meet the Trustees’ requirement as well as place the campus-foundation relationship on a firmer and more orderly basis. A primary objective of this exercise was to
remove as much of the ambiguity as possible as to the foundation's role, its relationship to the campus, and the level of support that the campus may provide for the foundation's successful operation.

After lengthy discussions, the Division of the Budget has approved a model contract together with required exhibits, which is enclosed as Attachment B. Draft versions of this contract were circulated earlier, so its general contents should be familiar. Every effort was made to accommodate concerns expressed by the campuses, as well as to address those expressed by DOB. A principal DOB concern has been that foundation funds not be accepted that would commit future state financial responsibility, unless appropriate concurrences are secured first. This is not a new requirement as far as SUNY is concerned, but it is clearly identified in the model contract.

Under the conditions outlined, the contract may provide for the use of campus services, equipment, facilities and personnel to assist the foundation in its efforts to secure support for campus and University purposes. The language permits the use of campus personnel during the foundation's "formative years." While this period is not defined, it is intended to recognize that many foundations are not able, for some time, to generate the volume of private support to cover their own overhead. The ability to become self-supporting should be a major objective of the Campus-Related Foundation, however.

Campus presidents are requested to enter into discussions with the boards of their Campus-Related Foundations for the purpose of implementing a contract based on the model provided. Such contracts will require the usual approval procedures as outlined on page 6 of the model. Campuses should submit their contracts to the Vice Chancellor for Finance and Business by September 15, 1982. If, for reasons beyond your control, this is not possible, please let us know and provide a target date when you believe the process can be concluded.

Note: While this is a "model" contract which may be subject to some modification because of conditions peculiar to a specific campus or foundation, the basic provisions contained in the model must be retained.
3. **Board of Trustee Guidelines**

As noted above, Board of Trustee Guidelines for Campus-Related Foundations were first approved in 1975. Increased activity by the campuses and foundations and other developments since then suggested that the Guidelines should be revised and updated. This has now been completed, and the Board of Trustees approved the new Guidelines at its May 26 meeting (Attachment C). There is no substantive change in the Guidelines; however, a number of areas have been clarified. For your convenience, we are enclosing an annotated revision showing the changes (Attachment C-1).

4. **Reporting and Accountability**

The Guidelines, in Paragraph D, refer to the requirements for an annual audit and an annual report. It is recognized that some Campus-Related Foundations, at least in their initial period, may not have either the level of activity or the resources to secure the services of an independent certified public accountant each year. While the point at which such an audit is begun may rest with the judgment of the foundation board, it must be understood that a certified audit is for the protection of the foundation and the campus. Moreover, the postponement of an independent audit in no way excuses a foundation from following generally accepted accounting principles or from sound fiscal management.

With respect to annual reports, these will be required. The report is to be furnished to the chief administrative officer of the campus who, in turn, will forward it to the Chancellor. At some point, in order to comply with DOB reporting requirements, it may be necessary to standardize the information contained in the reports.

In addition, the Office of University Affairs and Development will continue its annual survey of campus development activity. This report includes gifts from alumni and other donors, as well as the support activity generated by the Campus-Related Foundations.
Conclusion.

It is the objective of SUNY Central Administration to encourage and facilitate the conduct of sound development programs at State University campuses. As the level of activity continues to grow to meet the enormous potential that the system possesses to secure support from the private sector, the need for accountability and good management practices also will grow. The foregoing policy is set forth with these objectives in mind and in no way seeks to adversely affect the flexibility and local decision-making that successful programs require.

Questions regarding this Memorandum or its requirements may be directed to the Office of Finance and Business or the Office of University Affairs and Development.

Harry K. Spindler
Vice Chancellor

Robert Perrin
Vice Chancellor

This memorandum addressed to:

Presidents, State-operated campuses

Copies for information only to:

Campus-Related Foundations
Chief Campus Advancement Officer
Campus Vice Presidents for Administration
AGREEMENT made this ___ day of ____________, 19__, by and between STATE UNIVERSITY OF NEW YORK, a corporation organized and existing under the laws of the State of New York, with its principal offices located at State University Plaza, Albany, New York 12246, hereinafter referred to as "State University" acting for and on behalf of the State University of New York located at ________________________________, New York, hereinafter referred to as "Campus" and the ________________________________ Foundation, Inc., a not-for-profit corporation organized and existing under the laws of the State of New York, having its principal place of business located at ________________________________, New York, hereinafter referred to as "Foundation".

WITNESSETH:

WHEREAS, the Foundation has been established for the benefit of the Campus to serve as a means of organizing and effectuating the Campus development program; and

WHEREAS, State University recognizes the importance of Foundation support of University purposes; and

WHEREAS, the parties desire to enter into an agreement under which the Foundation will provide such support for the benefit of the Campus including but not limited to terms for the use of State University facilities and personnel by the Foundation.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein set forth the parties hereto agree as follows:

1. The Foundation will conduct its activities in accordance with the policies of the Campus and State University and the Board of Trustees Guidelines for Campus-Related Foundations.
attached hereto and made a part hereof as Exhibit B and as may be amended by State University from time to time, subject to approval as amendments to this agreement.

2. Where Foundation 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 financial obligation, the prior approval of the chief administrative officer of the Campus shall be secured. Funds accepted by the chief administrative officer shall be for University purposes that will not commit the State University to assume financial responsibility at any time, unless such a commitment has been agreed upon by the appropriate officials of the University and the Division of the Budget prior to the acceptance of the funds. Capital construction activities on University property, supported in whole or in part by Foundation funds, shall follow all University and State procedures governing such projects.

3. State University, in accordance with the terms and conditions of this agreement, shall make available to the Foundation the facilities and equipment designated in Exhibit C attached hereto and made a part hereof. Any additions or withdrawals to Exhibit C shall be made by written mutual consent of State University and the Foundation and shall be subject to approval as amendments to this agreement. If the State University and the Foundation conclude that a rental charge is required, the rental charge and method of payment will be determined by State University and the Foundation.

4. The Foundation shall take good care of such property and shall maintain it in good condition. State University shall keep the premises in good repair and make all necessary capital improvements. Any alteration or improvement to the premises,
fixtures, or replacement equipment that may be paid for by the Foundation shall become the property of State University. Upon removal from the premises, the Foundation shall return the equipment and facilities provided hereunder in as good condition as when originally provided by State University, normal wear and tear excepted.

5. State University shall supply all ordinary and necessary utilities for the premises. If State University and the Foundation conclude that a utilities charge is required, the charge and method of payment will be determined by State University and the Foundation.

6. During the Foundation's formative years, State University shall make available to the Foundation the use of University personnel for the services designated in Exhibit D attached hereto and made a part hereof. It is the intent that as the Foundation matures and sufficient resources are generated, the need for University support will diminish.

7. State University shall make available to the Foundation records and information concerning alumni in accordance with the requirements of the Family Educational Rights and Privacy Act of 1974 and regulations promulgated thereunder. Such records and information shall be maintained by the Foundation in good condition and shall not be released to other organizations without the written permission of State University.

8. The facilities, equipment, personnel and records provided hereunder shall be used by the Foundation for the purpose of carrying out its business purposes for the development of programs in support of the Campus.

9. The Foundation shall be solely responsible for compliance with all applicable laws, rules, orders, regulations and requirements of federal, state and municipal governments applic-
able to its operation including the provisions attached hereto and made a part hereof as Exhibit A.

10. The Foundation shall indemnify and hold harmless the State University and the State of New York from and against damage, fine, judgment, expense or charge suffered, imposed, assessed or incurred for any violation or occasioned solely by any act, neglect or omission of the Foundation, its servants, employees or agents.

In the event any damage or injury is caused to the equipment or facilities provided by State University hereunder, solely by the negligence or improper conduct of the Foundation, its agents or employees, the Foundation shall cause the said damage or injury to be repaired as speedily as possible at its own cost and expense. Notwithstanding the above, if any loss is due to the negligence of State University, its officers or employees, the Foundation shall be relieved of its responsibility for replacement or repair.

In no event shall anything contained in this agreement be deemed to impose liability of any nature upon the Foundation for loss or damage to persons or property, caused by the State University, its officers or employees or by any third party over which the Foundation exercises no control.

11. This agreement does not create the relationship of landlord and tenant between the Foundation and State University regarding the use of State University facilities.

12. The term of this agreement shall commence ________ 19__, and shall continue for a term of __________ year(s) through __________________. This agreement may be terminated in whole or in part by either party upon 45 days prior written notice in accordance with the notice provisions of this agreement.
13. Any notice to either party hereunder must be in writing signed by the party giving it and shall be served either personally or by registered mail addressed as follows:

TO STATE UNIVERSITY:

Vice Chancellor for Finance and Business
State University of New York
State University Plaza
Albany, New York 12246

and, also, a copy to:

President
State University of New York

TO THE FOUNDATION:

or to such persons as may be hereafter designated by notice. Any notice served or mailed hereunder shall be effective as of the date of service thereof if served personally, or by registered mail as of the date of receipt thereof if mailed.

14. This agreement constitutes the entire agreement of the parties hereto and all previous communications between the parties, whether written or oral, with reference to the subject matter of this agreement are hereby superseded.
IN WITNESS WHEREOF, the parties have entered into this agreement the day and year first above written.

STATE UNIVERSITY OF NEW YORK

By 
Vice Chancellor for Finance and Business

FOUNDATION

By 

Agreed and approved

Date: ____________________

by 
Campus President

Approved as to form

Date: ____________________

ROBERT ABRAMS
Attorney General

By 
Assistant Attorney General

Approved and filed

Date: ____________________

EDWARD V. REGAN
State Comptroller

By 
For the Comptroller
EXHIBIT A

The parties to the attached contract further agree to be bound by the following, which are hereby made a part of said contract:

I. This contract may not be assigned by the contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or disposed of without the previous consent, in writing, of the State.

II. This contract shall be deemed executory only to the extent of money available to the State for the performance of the terms hereof and no liability on account thereof shall be incurred by the State of New York beyond moneys available for the purpose thereof.

III. During the performance of this contract, the contractor agrees as follows:

(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, age, disability or marital status.

(b) If directed to do so by the Commissioner of Human Rights, the contractor will send to each labor union or representative of workers with which the contractor has or is bound by a collective bargaining or other agreement or understanding, a notice, to be provided by the State Commissioner of Human Rights, advising such labor union or representative of the contractor's agreement under clauses (a) through (g) (hereinafter called "non-discrimination clauses"). If the contractor was directed to do so by the contracting agency as part of the bid or negotiation of this contract, the contractor shall request such labor union or representative to furnish a written statement that such labor union or representative will not discriminate because of race, creed, color, sex, national origin, age, disability or marital status, and that such labor union or representative will cooperate, within the limits of its legal and contractual authority, in the implementation of the policy and provisions of these non-discrimination clauses and that it consents and agrees that recruitment, employment and the terms and conditions of employment under this contract shall be in accordance with the purposes and provisions of these non-discrimination clauses. If such labor union or representative fails or refuses to comply with such a request that it furnish such a statement, the contractor shall promptly notify the State Commissioner of Human Rights of such failure or refusal.

(c) If directed to do so by the Commissioner of Human Rights, the contractor will post and keep posted in conspicuous places, available to employees and applicants for employment, notices to be provided by the State Commissioner of Human Rights setting forth the substance of the provisions of clauses (a) and (b) and such provisions of the State's laws against discrimination as the State Commissioner of Human Rights shall determine.

(d) The contractor will state, in all solicitations or advertisements for employees placed by or on behalf of the contractor, that all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, sex, national origin, age, disability or marital status.

(e) The contractor will comply with the provisions of Sections 290-299 of the Executive Law and with the Civil Rights Law, will furnish all information and reports deemed necessary by the State Commissioner of Human Rights under these non-discrimination clauses and such sections of the Executive Law, and will permit access to the contractor's books, records and accounts by the State Commissioner of Human Rights, the Attorney General and the Industrial Commissioner for the purposes of investigation to ascertain compliance with these non-discrimination clauses and such sections of the Executive Law and Civil Rights Law.

(f) This contract may be forthwith canceled, terminated or suspended, in whole or in part, by the contracting agency upon the basis of a finding made by the State Commissioner of Human Rights that the contractor has not complied with these non-discrimination clauses, and the contractor may be declared ineligible for future contracts made by or on behalf of the State or a public authority or agency of the State, until the contractor satisfies the State Commissioner of Human Rights that the contractor has established and is carrying out a program in conformity with the provisions of these non-discrimination clauses. Such finding shall be made by the State Commissioner of Human Rights after conciliation efforts by the Commissioner have failed to achieve compliance with these non-discrimination clauses and after a verified complaint has been filed with the Commissioner, notice thereof has been given to the contractor and an opportunity has been afforded the contractor to be heard publicly in accordance with the Executive Law. Such sanctions may be imposed and remedies invoked independently of or in addition to sanctions and remedies otherwise provided by law.

(g) The contractor will include the provisions of clauses (a) through (f) in every subcontract or purchase order in such a manner that such provisions will be binding upon each subcontractor or vendor as to operations to be performed within the State of New York. The contractor will take such action in enforcing such provisions of such subcontract or purchase order as the State Commissioner of Human Rights or the contracting agency may direct, including sanctions or remedies for non-compliance. If the contractor becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the State Commissioner of Human Rights or the contracting agency, the contractor shall promptly so notify the Attorney General requesting the Attorney General to intervene and protect the interests of the State of New York.

IV. The agreement shall be void and of no force and effect unless the contractor shall provide coverage for the benefit of, and keep covered during the life of this agreement, such employees as are required to be covered by the provisions of the Worker's Compensation Law.
1. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law and the regulations of the Comptroller of the State of New York promulgated thereunder, the contractor agrees, as a material condition of the contract:

A. That neither the contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the provisions of the United States Export Administration Act of 1969, as amended, or the Export Administration Act of 1979, as amended, or the regulations of the United States Department of Commerce promulgated thereunder.

B. That if the contractor or any substantially owned or affiliated person, firm, partnership or corporation has been convicted or subjected to a final determination by the United States Department of Commerce or any other appropriate agency of the United States of a violation of the United States Export Administration Act of 1969, as amended, or the Export Administration Act of 1979, as amended, or the regulations of the United States Department of Commerce promulgated thereunder, the contractor shall notify the Comptroller of such conviction or determination in the manner prescribed by the Comptroller’s regulations.

The following provisions shall apply only to those contracts to which a hospital or other health service facility is a party:

2. Notwithstanding any other provision in this contract, the facility remains responsible for insuring that any service provided pursuant to this contract complies with all pertinent provisions of Federal, state and local statutes, rules and regulations. In the foregoing sentence, the word “service” shall be construed to refer to the health care service rendered by the hospital.

3. In accordance with the 1980 Omnibus Reconciliation Act (Public Law 96-499), Contractor hereby agrees that until the expiration of four years after the furnishing of services under this agreement, Contractor shall make available upon written request to the Secretary of Health and Human Services, or upon request, to the Comptroller General of the United States or any of their duly authorized representatives, copies of this contract, books, documents and records of Contractor that are necessary to certify the nature and extent of the costs hereunder.

If Contractor carries out any of the duties of the contract hereunder, through a subcontract having a value or cost of $10,000 or more over a twelve-month period, such subcontract shall contain a clause to the effect that, until the expiration of four years after the furnishing of such services pursuant to such subcontract, the subcontractor shall make available upon written request to the Secretary of Health and Human Services or upon request to the Comptroller General of the United States, or any of their duly authorized representatives, copies of the subcontract and books, documents and records of the subcontractor that are necessary to verify the nature and extent of the costs of such subcontract.

The provisions of this paragraph shall apply only to such contracts as are within the definition established by the Health Care Financing Administration, as may be amended or modified from time to time.
**FACILITIES**

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**EQUIPMENT**

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EXHIBIT D

Campus
GUIDELINES FOR CAMPUS-RELATED FOUNDATIONS

May 26, 1982

To: The Board of Trustees

From: Clifton R. Wharton, Jr., Chancellor
State University of New York

I recommend that the Board of Trustees adopt the following resolution:

Resolved that the State University Board of Trustees Guidelines for Campus-Related Foundations, adopted May 28, 1975, by Resolution No. 75-151, be, and hereby are, amended as follows:

Whereas the principle of private support for public higher education is well accepted and established throughout the United States and such support assists many state universities to achieve and maintain a measure of excellence which they otherwise would be unable to accomplish; and

Whereas at the State University of New York the importance of such private support has been recognized by the Board of Trustees through policy and encouragement to campuses to undertake development programs which will enhance their educational, research and public service missions; and

Whereas in furtherance of this objective 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 this Board recognizes, as a matter of University governance, that this unique relationship between the campus-related foundations and the State University requires policy guidance since foundations actively support and participate in fulfilling University purposes; now, therefore, be it

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 campus 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. Ordinarily, foundations should not undertake the administration of those programs which are the responsibility of the campus or an auxiliary service corporation under contract to the University to provide such services. The charter of the foundation should relate to the State
University campus 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. However, whatever the organization of the foundation, the campus chief administrative officer shall have direct access to the board and officers of the foundation so that the work of the foundation will be fully compatible with 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 which is in substantial accord with the model contract developed by the State University.

C. Administration of Funds. Foundation funds are intended by the Board of Trustees to be 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 State laws, rules, regulations and policies and 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 financial obligation, the prior approval of the chief administrative officer of the campus shall be secured. Funds accepted by the chief administrative officer shall be for University purposes that will not commit the State University to assume financial responsibility at any time unless such a commitment has been agreed upon by appropriate officials prior to the acceptance of the funds. 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, and the June 1, 1977 agreement between the Research Foundation and the State University.

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-related 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.
MEMORANDUM

May 26, 1982

To: The Board of Trustees

From: Clifton R. Wharton, Jr.

Subject: Revision of Guidelines for Campus-Related Foundations

I recommend that the Board of Trustees adopt the following resolution:

Resolved that the State University Board of Trustees Guidelines for Campus-Related Foundations, adopted May 28, 1975, by Resolution No. 75-151, be, and hereby are, amended as follows (brackets denote old material to be deleted; underlining denotes new material to be added):

Whereas the principle of private support for public higher education is well accepted and established throughout the United States and such support assists many state universities to achieve and maintain a measure of excellence which they otherwise would be unable to accomplish; and

Whereas at the State University of New York the importance of such private support has been recognized by the Board of Trustees through policy and encouragement to campuses to undertake development programs which will enhance their educational, research and public service missions; and

Whereas in furtherance of this objective 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] that this unique relationship between the campus-related foundations and the State University requires policy guidance since foundations actively support and participate in fulfilling University purposes; now, therefore, be it

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] campus 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. Ordinarily, foundations should
not undertake the administration of those programs which are the responsibility of the campus or an auxiliary service corporation under contract to the University to provide such services. The charter of the foundation should relate to the [college] State University campus 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. However, whatever the organization of the foundation, the campus chief administrative officer [should] shall 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] fully compatible with 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 which is in substantial accord with the model contract developed by the State University [or other agreement].

C. Administration of Funds. Foundation funds are [recognized as] intended by the Board of Trustees to be 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 State laws, rules, regulations and policies and 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] financial obligation, the prior approval of the chief administrative officer of the campus shall be secured. Funds accepted by the chief administrative officer shall be for University purposes that will not commit the State University to assume financial responsibility at any time unless such a commitment has been agreed upon by appropriate officials prior to the acceptance of the funds. 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, and the June 1, 1977 agreement between the Research Foundation and the State University.

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-related 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.

Background

The Board of Trustees Guidelines for Campus-Related Foundations were originally adopted in 1975 in order to recognize the place of campus-related foundations in the development activities of the State University. For some time, the Office of University Affairs and Development has sought to secure greater State recognition and support of campus development efforts and to clarify the role of the campus-related foundations in such efforts.

The Guidelines were revised to reflect the increasing role of the foundations in the solicitation of private support and to clarify State University's policy on foundation activities in this area. The Guidelines, therefore, have been amended to provide that foundations should not ordinarily undertake the administration of those programs which are the responsibilities of the campus or an auxiliary service corporation under contract to the University to provide such services. The
Guidelines have also been revised to reflect the University's concern that foundation funds accepted by the campuses not commit the State University to future financial responsibilities unless such a commitment has been agreed upon prior to acceptance of the funds. The Guidelines additionally refer to the model contract developed by State University which is intended to be used as the basis for agreements between a campus and the campus-related foundation for foundation use of University personnel, facilities and equipment.

Finally, while the language in Section C has been altered somewhat to state that it is the "intention of the Board" that private funds are supplementary to State-appropriated funds and not substitutes therefor, this in no way changes the fundamental philosophy of the Board. The Board continues to view the work of the Foundations as vitally important in complementing the missions of their respective campuses and providing assistance where State funds ordinarily are not available.

As was done with the original 1975 Guidelines, the revised Guidelines have been reviewed by the Division of the Budget. The Office of University Counsel has also reviewed the proposed revised guidelines.