TSTC TECHNICAL COLLEGE SYSTEM

SYSTEM OPERATING STANDARD

No. FA.3.1	**Page 1 of 14**	**Effective Date: 03/24/06**
DIVISION:	**Fiscal Affairs**	
SUBJECT:	**Acceptance of Gifts and Bequests**	
AUTHORITY:	**Minute Order #139-02**	
PROPOSED BY:	***Original Signed by Tara Odom***	
TITLE:	**Associate Vice Chancellor for Resource Development**	**Date: 03/24/06**
RECOMMENDED BY:	***Original Signed by Barbara Selke-Kern***	
TITLE:	**Executive Vice Chancellor**	**Date: 03/24/06**
APPROVED BY:	***Original Signed by Bill Segura***	
TITLE:	**Chancellor**	**Date: 03/24/06**

STATUS: Approved by MC 03/24/06

HISTORICAL STATUS: Revised 02/2006
Approved by MC 06/20/05
Revised 06/2005
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Approved MC 06/27/03
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Approved MC 9/27/02
Revised September 2002
Updated 9/4/91
Replaced 11/21/83 MO # 130-83
Management Guideline 9/9/83
Approved 6/25/79

POLICY

It is the policy of Texas State Technical College to further the mission of the TSTC System by encouraging and accepting gifts and bequests, both cash and non-cash, while protecting the organization's fiscal, legal, and ethical integrity.

PERTINENT INFORMATION

The legal authority for accepting gifts and bequests is found in Chapter 135 of the Texas Education Code.

Texas State Technical College is an instrumentality of the State of Texas and is not required to obtain a determination letter of tax deductibility for gifts and bequests required under Section 501(c)(3) of the Internal Revenue Code. The College is automatically exempt from federal income and excise taxes. Due to the complexities of the Internal Revenue Code, the College will not attempt to establish the tax implications of gifts and bequests for donors or to value any gifts or bequests that are received.

Board Minute Order 54-83 established College policy requiring conversion of securities to cash as soon as possible, unless the donor has specified otherwise.

This System Operating Standard applies to all donations to Texas State Technical College, including those made directly to the Colleges and those made through The TSTC Regents Circle or the Rolling Plains Technical Foundation.

DELEGATION OF AUTHORITY

The Texas Education Code, Chapter 135.02, establishes the authority for the Board of Regents to accept in the name of the State of Texas land and facilities in Cameron, Potter, Harrison, and Nolan Counties subject to the approval by the Governor. Chapter 135.02 also authorizes the Board of Regents to accept in the name of the State of Texas land and facilities in any of the counties in which a college or extension center is located, with the approval of the Texas Higher Education Coordinating Board being required if: (1) the Board requests to place the land and facilities on its educational and general buildings and facilities inventory; and (2) the combined value of the land and facilities is more than $300,000 at the time the Board makes this request. A College President will notify the Chancellor of any pending donations of land or facilities in order to determine the appropriate action before such action is taken.

The Board of Regents has delegated the authority to receive all other gifts and bequests to the Chancellor.

The Chancellor has delegated to the Presidents the authority to accept cash, checks, money orders, bank drafts, payments made with certain credit cards and debit cards, supplies, and equipment.

The Chancellor retains sole authority to accept all other gifts, such as marketable securities, real estate, tangible personal property, beneficial interests in insurance policies, beneficial and/or assignable interests in retirement plans, bequests, etc. After review and due consideration, the Chancellor may delegate this authority to a President on a case-by-case basis; such delegation must be in writing before being acted upon by the Chancellor’s designee.

OPERATING REQUIREMENTS

Resource Development Officers

The Associate Vice Chancellor for Resource Development in the TSTC System Resource Development Office serves as the lead Resource Development Officer systemwide. Each President will designate an individual to serve as that College's Resource Development Officer and notify the System Resource Development Office of that designation. In addition, the Resource Development Officer will designate the user of the systemwide resource development database for that College and notify the System Resource Development Office of that designation. These Officers and other individuals designated by the Chancellor will serve on the Systemwide Resource Development Team.

Confidentiality

Any information concerning donors or prospective donors will be confidential, as allowed by law. No information will be released to the general public without securing the donor's prior permission, unless a need to know has been established.

Conditions of Acceptance

Texas State Technical College authorizes the acceptance of gifts and bequests only when the donor gives freely and when TSTC has advised the donor that the donation is tax deductible to the full extent of the law and encouraged the donor to seek appropriate legal and financial counsel, where appropriate. TSTC does not authorize the acceptance of gifts and bequests that would jeopardize the financial, legal, or ethical integrity of the College.

All gifts and bequests to TSTC become the property of the State of Texas and must be placed on inventory, where appropriate, and accounted for in accordance with established procedures and sound accounting practices.

All gifts to TSTC are irrevocable unless specified in advance by the donor.

Acceptable Assets

The President or the President's designee may accept the following, in accordance with TSTC policies and procedures.

- Cash, e.g., checks, money orders, bank drafts, and payments made with certain credit cards and debit cards
- Supplies and equipment

The Chancellor or the Chancellor's designee may accept the following, in accordance with TSTC policies and procedures, on behalf of the TSTC System, College, and /or Extension Center, as appropriate.

- Cash, e.g., checks, money orders, bank drafts, and payments made with certain credit cards and debit cards
- Supplies and equipment
- Marketable securities
- Real estate
- Tangible personal property
- Beneficial interests in insurance policies
- Beneficial and/ or assignable interests in retirement plans
- Bequests

After review and due consideration, the Chancellor may delegate this authority to a President on a case-by-case basis. Such delegation must be in writing before being acted upon by the Chancellor's designee.

<u>Procedures for Accepting Gifts of Supplies, Equipment, and Cash, e.g., Checks, Money Orders, Bank Drafts, Payments Made with Certain Credit Cards and Debit Cards</u>

1. When any gift of supplies, equipment, or cash, e.g., checks, money orders, bank drafts, or payments made with a credit card or debit card is received by the College President or appropriate Resource Development Officer, the "Gift Acceptance and Transmittal Form" will be completed (see Attachment A). (A gift of supplies and/or equipment is to be reported if it is valued at $100 or more.)

2. Within five working days, the "Gift Acceptance and Transmittal Form" will be sent to the System Resource Development Office. Additional support information, if any, will accompany this form. Also, within the same time frame, the College President and, where appropriate, College Resource Development Officer will send a "thank you" to the donor.

   A. If the gift to TSTC is made through The TSTC Regents Circle, the donation will be forwarded to the System Development Office along with the "Gift Acceptance and Transmittal Form."

   B. If the gift to TSTC is made directly to a College or the Rolling Plains Technical Foundation, the donation is deposited in accordance with college procedures and only the "Gift Acceptance and Transmittal Form" will be sent to the System Resource Development Office.

3. The College Resource Officer or System Resource Development Office will enter the gift information (gift amount, gift designation, donor information, campaign information, etc.) into the systemwide resource development database, when appropriate.

4. The System Resource Development Office will add the donor's name to the Donor List, with the donor's approval.

5. The System Resource Development Office will send a "thank you" letter and gift receipt to the donor within five working days of receiving the "Gift Acceptance and Transmittal Form."

6. The TSTC Chancellor will send a "thank you" letter for all gifts valued at $250 or more.

7. All gifts will be accounted for using established procedures and sound accounting practices.

Attachment C provides an overview of these procedures for accepting gifts of supplies, equipment, and cash, e.g., checks, money orders, bank drafts, payments made with certain credit cards and debit cards.

Procedures for Accepting Gifts of Marketable Securities, Real Estate, Personal Property, Insurance, Retirement Plans, Bequests, Etc.

1. The System Office will handle all gifts of securities, real estate, personal property, insurance, retirement plans, bequests, and other items not mentioned in the preceding section, whether made through The TSTC Regents Circle, the Rolling Plains Technical Foundation, or a TSTC College. When a College President or College Resource Officer receives notification of such possible gifts, the President or College Resource Officer will immediately notify the System Associate Vice Chancellor for Resource Development by completing the Gift Opportunity Transmittal Form (see Attachment B).

2. After review and due consideration, the Chancellor may accept the gift. On a case-by-case basis, the Chancellor may delegate this authority to the President; this delegation must be in writing before being acted upon. In general, the Chancellor will accept or approve acceptance of the gift, as long as the gift does not jeopardize the financial, legal, and/or ethical integrity or reputation of the College.

3. The College Resource Officer or System Resource Development Office will enter the gift information (gift amount, gift designation, donor information, campaign information, etc.) into the systemwide resource development database, when appropriate.

4. The System Resource Development Office will add the donor's name to the Donor List, with the donor's approval.

5. The System Resource Development Office will send a "thank you" letter and gift receipt to the donor at the appropriate time.

6. The TSTC Chancellor will send a "thank you" letter for the gift.

7. All property donated to TSTC with a value of $5,000 or more will be placed on inventory and capitalized, where appropriate.

8. All such gifts will be accounted for using established procedures and sound accounting practices.

Attachment C provides an overview of these procedures for accepting gifts of marketable securities, real estate, personal property, insurance, retirement plans, bequests, etc.

Accountability

The System Resource Development Office will prepare a quarterly report for the Chancellor and an annual report for the Board of Regents based on the information submitted on the "Gift Acceptance and Transmittal Form," and as requested.

The System Resource Development Office will provide each Account Signature Authority a quarterly account update, or as requested.

Availability

- General (Non-Scholarship Funds)

  All cash reserves will be available for disbursement at the written request of the Account Signature Authority, in accordance with the donor's stipulations.

  The System Resource Development Office will verify that funds are available and that the request is in accordance with the donor's stipulations.

  Each disbursement request will include the following:
  - hard copy documentation, if applicable,
  - amount of the check,
  - payee of the check, and
  - where the check is to be mailed. (If not specified otherwise, the check will be mailed to the payee).

- Designated (Scholarship Funds, Non-endowed and Endowed)

  Each Resource Development Officer will maintain an official record of non-endowed and endowed scholarships, including the appropriate account agreement, any correspondence with the donor, any requests for disbursements, and any other appropriate documentation.

Each Resource Development Officer, working with the appropriate Financial Aid Office, will see to the awarding of these scholarships in a timely manner and according to the donor's stipulations.

Each Resource Development Officer will send a Scholarship Payment Memo to the appropriate Financial Aid Office three weeks prior to the first class day of each semester.

The Scholarship Payment Memo will include, but not be limited to, the name of the scholarship, the student's name, the student's social security number, the semester(s) for the award, and the amount of the award. The memo will also designate what is included in the award, such as tuition, fees, books, living expenses, etc.

PERFORMANCE STANDARDS

- Resource Development System Operating Standards are developed, maintained, and implemented.
- College Operating Procedures are developed and implemented in compliance with System Operating Standards.
- Each College designates a Resource Development Officer
- Each College designates a user of the systemwide resource development database.
- The Systemwide Resource Development Team operates with improved effectiveness and efficiency.
- Coordinated fund raising efforts result in greater financial resources for TSTC.

COLLEGE OPERATING PROCEDURE

COLLEGE		**Page 1 of**
OFFICE OF RESPONSIBILITY:		
APPROVED BY:		
TITLE:		**Date**
FORWARDED TO SYSTEM OFFICE ON		

Attachment A

TEXAS STATE TECHNICAL COLLEGE
GIFT ACCEPTANCE AND TRANSMITTAL

A. DONOR INFORMATION

Name_____

Address _____

Telephone numbers (H)_____ (W) _____

Email address _____

Include in Donor List _____ Yes _____ No

If name(s) to be included is/are different from above please specify: _____

B. GIFT INFORMATION

Cash $ _____ Pledge $_____

_____ Credit Card _____ Visa _____ MasterCard
_____Debit Card
Acct # _____
Exp. date _____
Name on card _____
Signature _____

_____ Equipment/Supplies (please specify and use additional pages if necessary)
Description: _____
Donor value: _____

_____Other (specify)
_____
_____

C. GIFT DESIGNATION

Cash/Pledges

_____ New account in The TSTC Regents Circle for purposes described in the appropriate attached documentation.
_____ Existing account in The TSTC Regents Circle for purposes described in the existing Account Agreement.
_____ New account in the College's Business Office.
_____ Existing account in the College's Business Office.
_____ New account in the Rolling Plains Technical Foundation.
_____ Existing account in the Rolling Plains Technical Foundation.

Account name _____ New/Existing account number_____

Equipment and Supplies

_____ Donated to The TSTC Regents Circle for _____.
_____ Donated to the Rolling Plains Technical Foundation for _____.
_____ Donated to the College/Extension Center for _____.

D. THIS FORM COMPLETED BY:

Name _____
Location _____ Date_____

Attachment B

TEXAS STATE TECHNICAL COLLEGE
GIFT OPPORTUNITY TRANSMITTAL

A. DONOR INFORMATION

Name_____

Address _____

Telephone numbers (H)_____ (W) _____

Email address _____

Include in Donor List _____ Yes _____ No

If name(s) to be included is/are different from above please specify: _____

B. GIFT INFORMATION *(Important: Attach a detailed explanation of the gift opportunity.)*

____ Marketable Securities

____ Real Estate

____ Tangible Personal Property

_____ Insurance Policies

_____ Retirement Plans

_____ Bequests

C. DONOR SPECIFICATIONS

_____

_____

_____

_____

D. THIS FORM COMPLETED BY:

_____
Resource Development Officer (signature)

_____ _____
Location Date

E. THIS GIFT ACCEPTED BY:

_____ _____
Association Vice Chancellor, Resource Development (signature) Date

_____ _____
Chancellor (signature) Date

TSTC-0-FA-013 (06-05)

Attachment C

OVERVIEW OF PROCEDURES FOR GIFTS AND BEQUESTS
(See System Operating Standard FA.3.1 for details)

RD – Resource Development *RDO – Resource Development Officer*

Gifts of Supplies, Equipment, Cash, Credit Cards, Debit Cards

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RDO completes Gift Acceptance and Transmittal form and sends it to System RD Office, with appropriate support information.

- If gift is made through Regents Circle, RDO includes donation with form.
- If gift is made directly to College or Rolling Plains Technical Foundation, RDO deposits donation.

↓

College RDO/President sends thank you to donor.

↓

College RDO/System RD Office enters gift information into database.

↓

System RD Office adds donor's name to donor list, with approval.

↓

System RD Office sends thank you letter and gift receipt to donor.

↓

Chancellor sends thank you letter to donor for gifts valued at $250 or more.

Marketable Securities, Real Estate, Personal Property, Insurance, Retirement Plans, Bequests, Etc.

↓

RDO completes Gift Opportunity Transmittal form and sends it to System RD Office.

↓

Chancellor determines if gift is to be accepted.

↓

Chancellor/System RD Office accepts gift.

Chancellor/System RD Office declines gift.

↓

College RDO/System RD Office enters gift information into database.

↓

System RD Office adds donor's name to donor list, with approval.

↓

System RD Office sends thank you letter and gift receipt to donor.

↓

Chancellor sends thank you letter to donor.

↓

College RDO/System RD Office ensures property with value of $5,000 or more placed on inventory and capitalized.