

Title: LSU Fundraising

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LSU FUNDRAISING

INTRODUCTION AND GENERAL POLICY

Louisiana State University (“LSU” or “university”) acknowledges the importance of raising private funds. These funds play a critical role in LSU’s ability to provide student and faculty support, support for capital projects and university enhancements. Additionally, private funds are necessary to build an endowment to sustain the university for future generations. LSU further recognizes that private, nonprofit organizations that support LSU’s mission and have affiliation agreements with the LSU System are effective in raising private funds to enhance the programs, facilities and research and educational opportunities offered by LSU. As the financial future of the university has grown more complex and as the university-wide development program has grown and matured, it has become apparent that LSU’s future strength and ability to meet these demands will rest in large part on the financial foundation established through private gifts provided by LSU’s alumni, friends, donors, and corporate partners.

The LSU Fundraising Policy applies to all fundraising activities on behalf of or for the benefit of the University or any component thereof. Any exceptions to this policy must be approved in advance and in writing by the Chancellor. Questions concerning the interpretation or application of this policy should be submitted in writing to the Chancellor. Violations of this policy may result in disciplinary action up to and including dismissal.

PURPOSE

- establish university guidelines regarding fundraising, Donor Recognition, and Stewardship
- establish the coordination of all fundraising activities undertaken by Affiliated Organizations and the university
- recognize and establish parameters of the independent fundraising efforts of University Components and Affiliated Organizations
- establish Fundraising Advisory Council

DEFINITIONS

Affiliated Organization: refers to a foundation, alumni association or other private nonprofit organization that is a party to an affiliation agreement with the LSU System. The LSU Alumni Association, the LSU Foundation and the Tiger Athletic Foundation, including the affiliates and subsidiaries of each, are examples of Affiliated Organizations.

Comprehensive Campaigns: refers to fundraising campaigns that are designed to generate funds for a wide variety of long-term projects essential to the university or a University Component.

Donation: refers to a pledge, bequest, or other gift involving cash, cash equivalents, movable (personal) property, immovable property, goods, or services made to or for benefit of the university, a University Component or an Affiliated Organization.

Stewardship: refers to the process whereby the university, in collaboration with Affiliated Organizations, guides, protects, and honors its philanthropic support – both the gifts and the donors who give them – in a way that responds to the donors' expectations and honors donor intent.

Donor Recognition: is a component of Stewardship that involves the acknowledgement of donors and donor contributions benefiting LSU.

University Component: refers to any campus, unit, program, department, or college of LSU.

PROCEDURES

A. Approved LSU Fundraising Entities

LSU Foundation – An Affiliated Organization whose mission is to foster private financial support for LSU, the LSU Agricultural Center, the LSU Paul M. Hebert Law Center, and the LSU System Office. The Foundation encourages and receives philanthropic gifts and bequests, including both restricted and unrestricted gifts. The Foundation also manages the investment of endowed funds and other private assets. As used in this policy, this term includes the LSU Foundation, the LSU Property Foundation, the LSU Marine Property Foundation, and any subsidiary or component of the LSU Foundation, the LSU Property Foundation, or the LSU Marine Property Foundation created in accordance with the terms of the Uniform Affiliation Agreement.

LSU Alumni Association – An Affiliated Organization whose mission is to protect, promote, and foster the welfare of LSU and to create and nurture mutually beneficial

relationships between the university and its alumni and friends. The Alumni Association supports the university in pursuit of excellence in teaching, research, and public service to future and current alumni. As used in this policy, this term includes any subsidiary or component of the LSU Alumni Association created in accordance with the terms of the Uniform Affiliation Agreement.

Tiger Athletic Foundation (“TAF”) – An Affiliated Organization whose mission is supporting LSU and its Athletic Program. TAF provides the primary source of private funding for LSU athletics and is committed to assisting the university in building a comprehensively superior athletic program. As used in this policy, this term includes any subsidiary or component of the Tiger Athletic Foundation created in accordance with the terms of the Uniform Affiliation Agreement.

Managed Affiliates – Other individuals, clubs and nonprofit organizations recognized by LSU pursuant to university policy and having a written agreement with an Affiliated Organization listed above pursuant to which that Affiliated Organization has agreed to assume custody of the managed affiliates funds and administer such funds in accordance with the terms of the Uniform Affiliation Agreement and applicable university policies and procedures.

With the exception of those organizations described above and any other organizations recognized in writing by the Chancellor, and, where required, by the Board of Supervisors in accordance with Chapter VIII of the Bylaws and Regulations of the Board of Supervisors, no other private individual or entity shall be authorized to utilize the LSU name, indicia or colors in association with fundraising efforts for benefit of the university or a University Component. For information regarding LSU name, indicia, colors etc., please consult LSU policies and procedures as outlined in PS 93 and PS 10.

B. Affiliated Organizations – Status and Authority of Board of Supervisors

The authority of Affiliated Organizations to solicit, accept, and administer Donations for benefit of the university, as well as the rights, duties and responsibilities of Affiliated Organizations are established, defined, interpreted and monitored by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (“Board of Supervisors”) and the President of the LSU System pursuant to the terms of the Uniform Affiliation Agreement and applicable law. Nothing contained in this policy shall be interpreted as: (a) limiting or undermining the authority of Board of Supervisors or the President of the LSU System with respect to Affiliated Organizations; (b) amending, supplementing, or otherwise modifying the terms of the Uniform Affiliation Agreement; or (c) undermining the status of Affiliated Organizations as private nonprofit organizations in accordance with the terms of La. R.S. 17:3390.

C. Ethics

All personnel who engage in university fundraising activities, whether those personnel are compensated or uncompensated, full-time or part-time, or employed by or otherwise working for the benefit of LSU or an Affiliated Organization, shall adhere to the Association of Fundraising Professionals Code of Ethical Principles and Standards (AFP –<http://www.afpnet.org/Ethics>). Public employees, including but not limited to LSU employees, are reminded that they remain subject to The Louisiana Code of Governmental Ethics, La. R.S. 42:1101 et. seq., even when involved in fundraising activities on behalf of private entities. The Code of Governmental Ethics imposes restrictions on the solicitation of certain donations from persons or entities that have or are seeking contractual or other business relationships with LSU. Before soliciting donations from any person or entity known to have or known to be seeking contractual or other business relationships with LSU, public employees should seek guidance from the Office of Institutional Advancement.

D. Communication of Certain Proposals and Acceptance of Certain Donations

All written or oral proposals involving the solicitation of Donations in the amount of \$1 million or more issued by, on behalf of, or for benefit of Affiliated Organizations, Managed Affiliates, the university, or any University Component, must be communicated in advance to the Chancellor through the Office of Institutional Advancement and the chief executive officer of the fundraising entity or University Component issuing such proposal.

The acceptance of Donations which include conditions requiring actions or approvals not previously taken or given by either LSU or the Board of Supervisors requires advance written approval of the Chancellor or his designee and compliance with applicable provisions of the Uniform Affiliation Agreement governing “onerous donations.” Guidance should be sought from the Office of Institutional Advancement in order to determine whether the proposed conditions associated with a particular Donation may be deemed “onerous” for purposes of this section.

E. Fundraising Coordination

Subject to the authority of the LSU Board of Supervisors, the Chancellor is responsible for all fundraising for LSU. In addition, the director, department head, or dean is responsible for the fundraising of the University Component for which he or she supervises. With the approval of the Chancellor, the Fundraising Advisory Council shall be established by the LSU Alumni Association, the LSU Foundation, and the Tiger Athletic Foundation. The primary focus of the Fundraising Advisory Council shall be to address issues associated with the coordination of all fundraising efforts, including but not limited to, discussing, receiving, organizing, and coordinating the fundraising priorities of the university and University Components and communicating fundraising priorities and other directives of the university and University Components to Affiliated

Organizations, managed affiliates, volunteer support organizations, and development personnel.

F. Independent Efforts

Affiliated Organizations are private and independent entities that exist solely to help foster relationships and solicit Donations to accomplish their respective missions for benefit of the university. Because the primary purpose of Affiliated Organizations is to support the mission and programs of the university or a University Component, subject to the rights and obligations of Affiliated Organizations to solicit funding for their reasonable operating expenses and the repayment of debt, university-wide priorities established by the Chancellor may take precedence over fundraising priorities of individual University Components and other fundraising organizations.

G. Types of Fundraising Activities

1. Comprehensive Campaigns: Before embarking on a Comprehensive Campaign, the campaign must be approved by the Chancellor through the Office of Institutional Advancement, the chief executive officer of the relevant Affiliated Organization, the chief administrative officer of the University Component for whose benefit the campaign will be undertaken and, if required by applicable policy or the Uniform Affiliation Agreement, the Board of Supervisors or the President of the LSU System.

2. Fundraising Events and Related Activities: Any sale, auction, or similar fundraising event or activity involving revenues or related donations that are not fully tax deductible the purpose of which involves the solicitation of private funds for benefit of the university or a University Component and which either (a) takes place on the university campus or (b) is conducted by persons not employed by the university or an Affiliated Organization, must be approved in advance and in writing by the Chancellor.

All fundraising events involving the use of state funds or the uncompensated use of state property conducted by the university or University Components, whether taking place on campus or off campus, must be approved in advance and in writing by the Chancellor using the *LSU Chancellor Approval Form for Fundraising Events and Related Activities* at the Office of Institutional Advancement web site (www.lsu.edu/advancement). Fundraising by registered student organizations and college-affiliated clubs must be approved by Campus Life as provided for in Section K below.

H. Prohibitions

LSU reserves the right to restrict all fundraising activities on university owned or operated property to reasonable times, places, and manners of conduct. In addition to any other applicable LSU policies regulating conduct on university owned or operated property or by LSU employees, the following activities are specifically prohibited.

1. Solicitations from or for the benefit of organizations or programs not affiliated with the university, utilizing LSU resources or conducted on LSU owned, operated, or controlled property without advance written approval of the Chancellor through the Office of Institutional Advancement, which shall coordinate such requests with the Office of Finance & Administrative Services in accordance with the policies on distribution of literature on campus. Advance written approval will not be required for fundraising conducted privately by LSU employees to coworkers or other small groups, where no advertisement or solicitation is made to the general public.
2. Solicitations for the benefit of individual university employees, such as for retirement parties or farewell gifts, except for solicitations made privately to coworkers where no solicitation is made to, nor any contribution accepted from, the general public, suppliers, or individuals or entities seeking contracts to supply goods or services to the university or any person or entity other than LSU employees. Any exception to this prohibition must be expressly granted in writing by the Chancellor.
3. Sale or distribution of items that violate university agreements and intellectual property rights, including but not limited to copyrights, trademarks, sponsorship, licensing, or other contracts.
4. Unless approved in advance and in writing by the Chancellor or his designee, fundraising activity involving Affiliated Organizations, managed affiliates, or LSU property or resources where proceeds from the activity are intended to benefit organizations or programs not affiliated with the university.
5. Unless approved in advance and in writing by the Chancellor or his designee, fundraising for a class project or for class credit, unless such activity is being carried out by a University Component or Affiliated Organization as part of a strategic fundraising initiative. Violations of this will be handled by the Office of Academic Affairs and the Office of the Dean of Students.
6. Participation in or conducting raffles by the university, University Components, LSU employees and raffles conducted on university property by organizations not affiliated with the university, but this prohibition shall not prevent the private sale of raffle tickets supporting non-profit entities other than LSU by LSU employees or students to coworkers, or other small groups where no advertisement or

solicitation is made to the general public and such activity is conducted in accordance with applicable laws, rules, and regulations.

I. Academic Donations and the LSU Foundation

1. An *academic donation* is a donation intended for the benefit of the academic, educational, research, or service aspects of LSU's mission. It includes all donations intended for the benefit of LSU except those intended to benefit any LSU athletic program, including without limitation the Cox Communications Academic Center for Student Athletes and programs providing scholarship funds for LSU student athletes, and those solicited by the Tiger Athletic Foundation or the LSU Alumni Association to further their own missions.
2. Academic donations of cash and other liquid assets, as well as immovable and movable property intended to be sold that are made direct to the university, should be directed to the LSU Foundation. Academic donations of immovable and movable property not intended to be sold, as well as intangible rights (such as patents, copyrights, servitudes, and rights of use) should be directed to LSU itself. Exceptions to this policy must be approved in writing by the Chancellor or his designee.
3. If an Academic donation is made to LSU itself in accordance with Section I. 2 of this policy, LSU will share information about the donation and the donor with the LSU Foundation which will assist LSU in providing proper recognition to the donor and will use such information in additional fundraising activities.
4. Academic donations are directed to the LSU Foundation in light of current LSU Foundation policies and practices regarding the solicitation, acceptance, and processing of donations. In the event the LSU Foundation determines to make a material change in its policies relating to donations made for the benefit of LSU, it shall provide written notice to the Chancellor of such proposed material change for review with the appropriate administrators, including deans and directors of colleges and schools. Comments will be submitted in writing by LSU to the LSU Foundation within 60 days of receiving the proposed changes. The LSU Foundation will notify the campus about their final decision within 30 days. In light of the LSU Foundation's commitment of funds, personnel, and other resources to raising funds for the benefit of LSU, LSU shall provide written notice to the LSU Foundation of any material change to this Section (I) for review by the LSU Foundation Board of Directors. Comments will be submitted in writing by the LSU Foundation to LSU for review within 60 days of receiving the proposed changes. LSU will notify the Foundation about their final decision within 30 days. Notwithstanding the parties agreement to provide no less than 60 days prior written notice of material changes to their respective policies, in response to the receipt of such a notice, the receiving party may propose material changes to its

own policy by providing the other party with at least 15 days notice prior to the effective date of such proposed change.

J. LSU Flagship Fund and Timing of Annual Fund Drives

The LSU Foundation conducts an annual solicitation each fall to encourage support for the LSU Flagship Fund, which is housed at the LSU Foundation and used for university priority needs as determined by the Chancellor. All University Components should conduct their annual fund drives in the spring unless written consent from the Chancellor through the Office of Institutional Advancement is given.

K. Registered Student Organizations and Groups

Campus Life defines fundraising as any event, program, or activity in which money or items are collected for the purpose of raising funds for a registered student organization, a philanthropic cause, or to donate goods to charities. Some examples include soliciting donations, ticket sales, sale of items, or collection of goods (e. g. canned food drives with donation to a food bank). Fundraising by registered student organizations is allowed at LSU in accordance with university policies and procedures, local and state laws, and the LSU Code of Student Conduct. Fundraising is a type of event; therefore, compliance with Campus Life Policy 10 - *Event Approval & Registration* and Campus Life Policy 11 – *Fundraising* is required.

This policy shall not apply to fundraising activities of students and registered student organizations and groups that are regulated by the Campus Life policies. In all cases where a student or registered student organization seeks approval for a fundraising event from Campus Life, that office shall consult with the Office of Institutional Advancement prior to granting such approval to ensure appropriate review and coordination of all LSU-related fundraising activities. Fundraising by individual students on behalf of entities other than LSU, Affiliated Organizations or managed affiliates shall be governed by this policy and all other applicable LSU policies.

L. Volunteer Support Organizations (VSOs)

VSOs are groups or organizations, whether incorporated or unincorporated, which are formed to advise, assist, or otherwise support a particular University Component and have not entered into an affiliation agreement with the Board of Supervisors. Examples of VSOs include friends groups, development councils, advisory boards, and similar organizations. The establishment of VSOs and applicable policies and procedures governing VSOs are described in Operating Procedures for Volunteer Support Organizations (VSOs) on file in the Office of the Chancellor.

M. Naming Opportunities (colleges, schools, departments, institutes, centers, and buildings)

1. Naming Opportunities:

Facility Naming Opportunities – see PS 70: *Naming University Facilities*
Program/Department/College Naming Opportunities – see PS 70: *Naming University Facilities*

2. Naming Inventory:

Naming opportunity Inventory lists regarding facilities and University Components are on file with the Executive Director of Institutional Advancement in the Office of the Chancellor. All naming opportunities associated with facilities or programs owned and operated by LSU must be provided to the Chancellor through the Office of Institutional Advancement on or before January 31 of each year.

N. LSU Donor Recognition and Acknowledgements

1. Recognition and Acknowledgement by Affiliated Organizations Each Affiliated Organization will establish and maintain reasonable and appropriate Donor Recognition and acknowledgement policies and procedures. Gifts of \$500,000 or more should be communicated to the Office of the Chancellor through the Office of Institutional Advancement in a timely manner for additional recognition by the university where appropriate.

2. University Recognition

The Donor Recognition table provides the framework by which LSU administrators may appropriately thank and recognize all donors in addition to the Affiliated Organizations' efforts. Recognition prior to athletic events is also addressed in the Gift Recognition and Acknowledgement table on file with the Office of the Chancellor. *(See Gift Recognition and Acknowledgement tables on file with the Office of the Chancellor.)*

3. University Acknowledgements

The university, University Components, and Affiliated Organizations will promptly acknowledge donors for all donations contributed to their respective entities. Letters may be issued from the Chancellor, deans, department chairs, Affiliated Organization personnel, as well as other authorized development personnel. *(See Gift Recognition and Acknowledgement tables on file with the Office of the Chancellor.)*

4. Press Releases

Press releases directed to newspapers, periodicals, radio, television, and other media outlets other than newsletters and similar materials published by Affiliated

Organizations for the purpose of communicating about gifts made to the organization for the benefit of the university will be issued by the Office of Communications & University Relations. The Associate Vice Chancellor for Communications & University Relations will work with the Executive Director of Institutional Advancement and the respective Affiliated Organization to ensure timeliness and accuracy on all Chancellor-level press releases and statements regarding donors. On donations over \$5 million where permission of the donor is given, paid newspaper advertisements may also be placed by the Affiliated Foundation(s) as appropriate. Newsletters and similar materials published by Affiliated Organizations may also be utilized for publicity where appropriate.

Publicity consent forms must be obtained and on record before press releases are sent. It is the responsibility of the entity where the gift is made to work with the Office of Communications and University Relations and the appropriate Affiliated Organization to obtain and record the publicity consent form. In the event the gift is made directly to the university, the Executive Director for Institutional Advancement will be responsible.

SOURCES

PS 10: *Internal and External Communications/Advertisement*

PS 70: *Naming University Facilities*

PS 93: *Use of University Name and Indicia* LSU

Code of Student Conduct

Student Organization Policy Manual:

(<http://www.lsu.edu/campuslife/downloads/S.O.%20Policy%20Manual%2020122013.pdf>)

Association of Fundraising Professionals Code of Ethical Principles and Standards (AFP –<http://www.afpnet.org/Ethics>).