

Relationships with University-Related Foundations

The following statement of policy was approved by the Board of Visitors in January, 1990; for guidelines and assistance contact the office of the General Counsel or Assistant Vice President for Business Services and Treasurer.

University-related foundations exist to benefit the University or one or more of the University's schools or departments. The Board of Visitors should be advised of the purpose of the foundation and the scope of its activities, including grants and fund raising, even though the Board's policy is not to control the activities and functions of its related foundations. A representative of the Board of Visitors will review related foundation activities at least annually to assure that the foundation's operations are consistent with the University's purpose, mission, policies and procedures.

Any related foundation offering courses, seminars, workshops or other related similar instruction should clearly disclose its independence from the University. Any use of the University's name in conjunction with the course or program should identify only the foundation as the official offeror of the program.

Transactions between the University and a related foundation should meet the normal tests for ordinary business transactions, including proper documentation and approvals. The University will not borrow funds from a related foundation without first obtaining the approval of the respective Boards and complying with the requirements of State law.

Any transfer of endowments or other assets between the related foundation and the University for investment management or other purposes should comply with the fiduciary requirements of the respective Boards and assure that any restrictions governing the future distribution of funds are observed.

A related foundation should provide assurance that its financial activities are carried out and reported in accordance with generally accepted business and accounting practices. Special attention should be given to avoiding direct or indirect conflicts of interest between the University and the related foundation and those whom the foundation does business.