

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
Agenda Item Summary Sheet**

Name: Finance and Facilities Committee

Date: May 20, 2015

Title: Proposed Amendment to Policy 7.7 Gifts and Grants Acceptance (First Reading)

Purpose (check one):

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Proposed
New Policy or
Amendment to
Existing Policy | <input type="checkbox"/> Approvals
Required by
Policy | <input type="checkbox"/> Other
Approvals |
| <input type="checkbox"/> Monitoring /
Compliance | <input type="checkbox"/> Information | |

Brief Description:

Staff reviewed Policy 7.7 and proposed revisions following completion of the Grant Management Internal Control and Compliance Audit by Office of Internal Auditing released on March 10, 2015.

The proposed board policy revision was circulated in accordance with procedures to all employee representative groups, student associations and campus leadership groups. The policy review was discussed with the Leadership Council. All comments received from the consultation were taken into consideration.

Scheduled Presenter(s):

Laura M. King, Vice Chancellor - CFO

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

BOARD ACTION

Proposed Amendment to Policy 7.7 – Gifts and Grants Acceptance
(First Reading)

BACKGROUND

Board Policy 7.7, Gift and Grants Acceptance, was adopted by the Board of Trustees and became effective on June 21, 2000. The policy was last reviewed on November 16, 2011 and revised for grammatical changes effective January 1, 2012. Policy 7.7 was recently again reviewed by Finance and Advancement staff and amendments proposed to the reporting and approval requirements for gifts and grants. The proposed changes add clarification and address some of the comments that were included in the recent Grant Management Internal Control and Compliance audit released on March 10, 2015.

PROPOSED AMENDMENTS

The proposed amendments to Policy 7.7 are reflected in the track-changes copy of the policy on the following page.

REVIEW PROCESS

The proposed board policy revision was circulated in accordance with procedures to all employee representative groups, student associations and campus leadership groups. The policy amendment was discussed with the Leadership Council. All comments received during the review process have been examined and incorporated where appropriate.

RECOMMENDED COMMITTEE MOTION

The Finance and Facilities Committee recommends that the Board of Trustees approve the following motion:

The Board of Trustees approves the changes to Policy 7.7 Gifts and Grants Acceptance.

RECOMMENDED BOARD MOTION

The Board of Trustees approves the changes to Policy 7.7 Gifts and Grants Acceptance.

Date Presented to the Board of Trustees: 05/20/2015

Date of Implementation 06/17/2015

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

BOARD POLICY		7.7
Chapter	7.	GIFTS AND GRANTS ACCEPTANCE
Section	7.	General Finance Provisions

7.7. Gift and Grants Acceptance

1 **Part 1. Authority.** Pursuant to Minnesota Statutes §136F.80, the Board of Trustees has
2 the authority to ~~may~~ apply for, receive and accept on behalf of the state and for the benefit
3 of any state colleges or university~~ies~~ any federal, state and/or private gifts or grants, gift,
4 bequest, devise or endowment that any person, firm, corporation, foundation, or
5 association may make to the system office or a college or university or any federal, state,
6 or private money made available for the purpose of providing student financial aid at the
7 colleges and universities. Each gift or grant must be consistent with the college, university
8 or system mission.
9

10 **Part 2. Responsibility.** Each college and university president is authorized on behalf of
11 the Board of Trustees~~board~~ to accept gifts and grants made to the institution, other than
12 gifts or grants of real property. All private gifts and grants over \$~~50~~100,000 shall be
13 reported to the Board of Trustees~~chancellor~~ at the time of as detailed in Part 4 of this
14 policy. In accordance with policy 5.14 Contracts and Procurements all private grants
15 exceeding \$3,000,000 must be approved by the board.
16

17 Also in accordance with policy 5.14 Contracts and Procurements, any grant agreements
18 that do not adhere to system approved contract templates must be approved in advance
19 by the office of general counsel or attorney general's office.

20 The chancellor is authorized on behalf of the Board of Trustees~~board~~ to accept gifts and
21 grants made to the system office, ~~other than gifts or grants of real property.~~

22 All gifts and grants of real property shall be approved by the chancellor and are subject to
23 Policy 6.7.~~formally accepted by the Board of Trustees and shall be subject to appropriate~~
24 ~~due diligence and conformance with the campus facilities master plan.~~

25 All gifts and grants must be recorded in the Minnesota State Colleges and Universities
26 financial system.

27 ~~System procedures will include criteria for the acceptance of gifts and grants.~~

29 **Part 3. Transfer of Gift.** A college or university that receives a gift or bequest as
30 provided in Minnesota Statutes §136F.80 and §136F.81 that is intended for the purposes
31 performed by a foundation approved under Minnesota Statutes §136F.46 may transfer the
32 money to its foundation, provided the money is used only for public purposes.
33

34 **Part 4. Accountability/Reporting.** No proposal shall be submitted to any funding
35 authority without the signature of the president (for institutional grants) or the chancellor
36 (for system office grants), or a person designated by the president or chancellor.

37 The ~~Chancellor~~ chancellor or designee will be periodically updated on the nature and the
38 amount of all private gifts and grants with a value in excess of ~~\$50~~100,000 accepted by
39 the colleges, the universities, and the system. The colleges and universities shall maintain
40 a list of all private gifts and grants for incorporation into a comprehensive annual report
41 to the ~~Chancellor~~ chancellor.

42
43 Date of Implementation: 06/21/00

44 Date of Adoption: 06/21/00

45 Date & Subject of Revisions:

46 06/xx/15 – Amended Part 2, requiring that private gifts and grants greater than \$100,000
47 will be reported to the chancellor. Also added statements clarifying that approvals
48 required by policy 5.14 Contracts and Procurement also applied to grant agreements.

49 11/16/11 - Effective 1/1/12, the Board of Trustees amends all board policies to change
50 the term "Office of the Chancellor" to "system office," and to make necessary related
51 grammatical changes.

52 03/17/10 - Amended Part 4, raising the value of reportable gifts is from \$5,000 to
53 \$50,000.

54 06/21/06 - Amended Part 2 requiring gifts and grants of real property to be subject to
55 due diligence and conformance with campus facilities master plan. And other technical
56 changes.