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Next Review	3 years after approval

Owner	Odella Fuqua: AVP for Finance
Area	Finance

Accepting & Managing Philanthropic Gifts

POLICY STATEMENT

The University of North Dakota Alumni Association & Foundation (UNDAAF) serves as the University of North Dakota's (UND/University) designated foundation for philanthropic gifts made to the University. If donors make gifts directly to UND, UND may route them to UNDAAF for processing or may process and administer those gifts under similar fee, acceptance, and stewardship protocols as UNDAAF. UND administers all gifts according to the donor's documented intent.

UND and UNDAAF, as the University's designated foundation, may decline any gift that does not align with institutional priorities, places undue restrictions on the University, or exposes the University to unacceptable risk or cost.

Student organizations operate independently and are not agents of UND; they may not accept gifts on behalf of UND or UNDAAF.

REASON FOR POLICY

UND encourages all donors to make all philanthropic gifts through UNDAAF.

UND follows State Board of Higher Education (SBHE) policy 810 - Deposit of Funds; Investments; Endowment and Gift Funds and SBHE policy 340.2 - Nonprofit Affiliates. The University must process and use gifts that benefit UND in accordance with federal and state laws and University policies.

SCOPE OF POLICY

This policy applies to all members of the University community and should be read by:

- President
- Vice Presidents & Associate/Assistant Vice Presidents
- Deans, Directors & Department Heads Faculty
- Area Managers & Supervisors
- Staff
- Faculty
- Other: University of North Dakota Alumni Association & Foundation

CONTACTS

Specific questions should be directed to the following:

Subject	Contact	Telephone	E-Mail / Web Address
Policy Clarification	Resource Planning & Allocation	701.777.2243	Resource Planning & Allocation Website
Sponsored Awards	UND Grants & Contracts Accounting	701-777-4151	UND.grantcontracts@UND.edu Grants & Contracts Accounting Website
Non-scholarship Donations to Students	Student Finance	701.777.4409	Financial Aid Website
UND Cash Depositing	UND Treasury	701-777-5672	UND.treasury@UND.edu Treasury Website
UND Gifts & Donations	UND Controller	701-777-3178	Controller Website
UND Alumni Association & Foundation Gifts & Donations	UND Alumni Association & Foundation	701-777-3872	UND Alumni Association & Foundation Website

DEFINITIONS

Financial Aid	Any scholarships, grants, work-study, loans, or third-party assistance to help cover educational costs.
Financial Aid Packaging	The process of combining various types of student aid (scholarships, grants, loans, and employment) to attempt to meet the full amount of the student's financial need.
Philanthropic Gift/ Donation	Contribution in the form of cash, check, stock, or property that has no contractual requirements. A gift is consideration given for which the donor receives no direct benefit and requires nothing in exchange beyond an assurance that the intent of the contribution will be honored.
Gifts-in-Kind	A non-monetary contribution. It includes inventory, capital property, depreciable property, software, real estate, or personal items.
Sponsored Award	A sponsored award is funding from an external entity, such as a private foundation, corporation, or state or federal agency, for an activity with a

	defined scope and purpose undertaken by the University with the expectation of an outcome that directly benefits the provider.
Sponsorship Revenue	<p>An agreement where an entity provides financial support to the University in exchange for specific benefits, such as:</p> <ul style="list-style-type: none"> • use of the sponsor's name or logo in promotional materials • recognition as a sponsor at university events, or • access to University resources or events. <p>These benefits constitute a tangible return on the sponsor's investment and, therefore, are not considered a gift when paid to UND.</p>
Financial Securities	A tradable financial instrument that represents a certain type of financial value, such as stocks and bonds, that can be bought, sold, or traded on financial markets.

PRINCIPLES

Gifts play a vital role in advancing the University's mission. Donors may give gifts with or without specific use restrictions. When a donor includes restrictions, UND and UNDAAF share a fiduciary responsibility to follow those restrictions and ensure the gift is used only for its intended purposes. However, restrictive conditions may limit UND's ability to use the gift effectively. UND encourages donors to give scholarships or unrestricted gifts to provide the greatest flexibility and impact.

Donor Control

UNDAAF works with donors to identify the best gift options that align donor intent with University priorities.

The Internal Revenue Service (IRS) does not allow a charitable tax deduction if the donor keeps control over the gift or its use. Therefore, donors may not take part in selecting scholarship or award recipients, appoint individuals to a scholarship committee, or set criteria so narrow that only a small group—especially relatives of the donor—qualify. In addition, UND employees may not make gifts that restrict the funds to their personal or departmental use (e.g., gifts intended to reimburse their own expenses).

Non-Scholarship Donations to Students

UND strongly discourages non-scholarship gifts that direct funds to individual students (often called "angel funds"). These one-off or student-directed donations create complex compliance and classification issues, require time-intensive manual processing by Student Financial Aid, and may create unintended tax and reporting consequences for both donors and recipients. Individual gifts can also affect a student's need-based financial aid package and create inequities among students if the gifts are not awarded through a transparent, criteria-based process. UND encourages donors who want to support students to make scholarship gifts or to support programmatic funds that the University can administer in compliance with federal aid rules and institutional policy.

Gifts-In-Kind

Gifts-in-kind include non-monetary donations (e.g., capital property, inventory, depreciable property, software, real estate, or personal items) and may require initial set-up costs or ongoing costs. UND must review and approve each gift-in-kind before it is accepted. The dollar value of a gift-in-kind determines how UND applies its agreement and contract authorization policy related to signature authority (see [Related Information](#)).

Financial Securities

UNDAAF must coordinate all gifts of financial securities (see North Dakota Constitution in [Related Information](#)).

Sponsorship Revenue

UND does not consider sponsorship revenue a philanthropic gift. Sponsorship revenue typically arises from agreements in which an entity provides financial support to UND in exchange for certain benefits.

Sponsored Awards

Language in the donation documents generally determines whether the University must classify funds as a gift or a sponsored award. Sponsored award instruments may include some or all the requirements and conditions identified below.

Requirement or Condition	Gift	Sponsored Award
General	The donor may restrict use or disposition but may not retain control over the gift.	Award instruments require endorsement by a university-defined signature authority. An investigator is obligated to a line of scholarly or scientific inquiry that follows a plan, provides orderly testing or evaluation, or seeks to meet stated performance goals.
Publication & Reporting	Donors may request copies of publications that result from research and scholarly activity supported with donated funds and ask to be acknowledged in such publications. Donors may also request annual progress reports or a summary of the types of activities supported. Unless otherwise stipulated, smaller gifts do not usually require reports.	The terms of the award require publications or technical reports dealing with substantive aspects of the work. The investigator is obligated to report project results.
Accounting & Financial	Donors may require the funds to be established in a separate account and an	The award includes a line-item budget identifying expenses by activity, function,

Reports	annual statement of total funds expended. Unless otherwise stipulated, smaller gifts do not usually require accounting statements.	or project period. The award includes budgetary constraints such as limits on budget categories, or the sponsor requires prior approval or other controls over expenditures. Fiscal accountability is required, as evidenced by the submission of financial reports to the sponsor, an audit provision, or the return of unexpended funds at the conclusion of the project.
Project Direction or Mentoring	A point of contact is identified, particularly if that person works in university relations or philanthropic functions of the corporation.	The sponsor identifies a technical monitor who is responsible for monitoring the performance, arranging research visits, and providing liaison between the university and corporate research teams.
Period of Performance	A period of performance is not normally included, but one may be stated as a general expectation.	Terms include a period of performance that is specific for defining the allowability of expenditures or other purposes.
Renewal	Normally, no formal renewal. Additional funding may be provided at the discretion of the donor.	It may be renewed contingent on such things as a technical review or satisfactory progress. (This implies the sponsor is monitoring performance to determine whether some sets of expectations are fulfilled.)

PROCEDURES

Donors should make their philanthropic gifts to UNDAAF whenever possible.

Deposits

UND departments should send gifts to UNDAAF for processing and management. If both UND and UNDAAF confirm donor intent, UNDAAF may deposit the donation even if the check is not made payable to UNDAAF. If UND and UNDAAF need to determine which entity should deposit the donation, UND Finance leadership (associate vice president for finance, controller, or director of treasury) and UNDAAF finance leadership will make that determination. The depositing entity will keep documentation of that decision.

UND Gift Deposit Processing

If a gift deposit is made at UND, Treasury processes the deposit using these account codes:

- 478010 – Capital gifts

- 478015 – Capital gifts from related foundations
- 478005 – Gifts
- 478007 – Gifts from related foundations

Upon depositing a gift, Treasury will contact UNDAAF which in turn issues a charitable gift receipt on behalf of UND. Treasury maintains documentation for all gifts deposited with UND intent.

Fees

For UND deposits, UND Treasury will calculate and assess fees in alignment with UNDAAF's fee assessment policy (see [Related Information](#)). For UNDAAF deposits, the Foundation will assess the fees directly.

Gifts-in-Kind

UNDAAF submits gift-in-kind information to UND Asset Management. Asset Management processes the request through UND Marketplace, attaches the required forms, and routes the request to the appropriate service units (e.g., Facilities, Risk Management, UIT, Safety, Accessibility) for review as needed.

If the gift is valued at \$10,000 or less, department leadership (e.g., chief business officer, dean, or designee) may approve the gift after reviewing any comments or costs. If the gift is valued at more than \$10,000, or if one-time or ongoing costs are identified, the vice president for finance and operations or the chief procurement officer (as designated by UND's Agreement and Contract Authorization policy; see [Related Information](#)) must approve the gifts after department review.

After all required reviews and approvals are complete, UND records the gift-in-kind in the general ledger if needed and notifies UNDAAF that UND has accepted the gift-in-kind.

RESPONSIBILITIES

Controller / Asset Management	<ul style="list-style-type: none"> • Review gift or donation documentation to determine donor intent and the proper entity to record gifts. • Process all UND gifts and donations determined to stay with UND. • Maintain documentation for all gifts deposited with UND intent. • Receive gift-in-kind requests and initiate workflow for UND review. • Maintain tracking and reporting of gifts on the UND general ledger.
Departments	<ul style="list-style-type: none"> • Direct potential donors to the UNDAAF to ensure compliance with relevant IRS regulations and proper record-keeping.

	<ul style="list-style-type: none"> • Expend donor funds within the donor's intent and restrictions.
Grants & Contracts Accounting	<ul style="list-style-type: none"> • Provide clarification on gifts versus sponsored awards.
School of Medicine & Health Sciences Student Affairs	<ul style="list-style-type: none"> • Review and approve all non-scholarship donations to medical students. • Provide clarification on questions related to scholarships and all medical student finance areas.
Student Finance	<ul style="list-style-type: none"> • Review and approve all non-scholarship donations to students. • Provide clarification on questions related to scholarships and all student finance areas.
Treasury	<ul style="list-style-type: none"> • Calculate and post the UND fee to the general ledger via journal import. • Process all UND deposits.
UND Alumni Association & Foundation	<ul style="list-style-type: none"> • Provide a centralized infrastructure and services to support all private fund-raising efforts on behalf of UND. • Determine the reinvestment fee to be charged by UND and UNDAAF. • Maintain documentation for all gifts deposited with UNDAAF intent. • Maintain tracking and reporting on gifts on the UNDAAF general ledger. • Obtain the gift-in-kind request form from the donor and send the request to the UND controller for processing. • Issue charitable gift receipts on behalf of UND.

RELATED INFORMATION

- [Deposits on Gift Accounts](#)
- [North Dakota Constitution Article X Section 18](#)
- [SBHE Policy 340.2 – Nonprofit Affiliates](#)
- [SBHE Policy 810 – Deposit of Funds; Investments; Endowment and Gifts Funds](#)
- [UND Alumni Association & Foundation](#)
- [UND Asset Management](#)

- [UND Policy - Agreement & Contract Authorization](#)
- [UND Shared Service Center](#)
- [UND Treasury](#)
- [UNDAAF Policy - Fee Assessment](#)

FORMS

- UNDAAF Gift-In-Kind Form (contact UNDAAF; see [Contacts](#))

APPENDICES

There are no appendices associated with this policy.

Approval Signatures

Step Description	Approver	Date
Campus Comment	Jennifer Rogers: Director of University Policy	Pending
Executive Council (1st Reading)	Jennifer Rogers: Director of University Policy	11/2025
Policy Advisory Group	Jennifer Rogers: Director of University Policy	08/2025
Policy Office	Jennifer Rogers: Director of University Policy	08/2025
Policy Owner	Odella Fuqua: AVP for Finance	08/2025