



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: November 19, 2024

TITLE: Proposed Amendment to Board Policy 5.15 Fundraising (Second Reading)

Action

Review and Discussion

This item is required by policy

PRESENTERS

Bill Maki, Vice Chancellor for Finance and Facilities

Metody Popov, System Director, Financial Reporting

PURPOSE

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6. Board Policies and System Procedures requires board review and approval of proposed board policy changes and that each board policy is reviewed at least once every five years.

BACKGROUND INFORMATION

The proposed amendment consists mostly of technical edits, and the application of new formatting and writing standards. After consultation with Jen Dobossy, System Director for Foundation Services, and the Office of General Counsel, a separate paragraph was added at the beginning of Part 2. This paragraph clarifies that the language in that part does not apply to college and university affiliated foundations, as long as there is a signed contract in place between the foundation and the college/university. Additionally, a few minor changes were made to improve the clarity and brevity of the policy- in Part 2, the language "whose primary activity is" was replaced with "that" for brevity purposes, and in Part 3, the language "not prohibited" was replaces with "allowed" for additional clarity.

RECOMMENDED ACTION (SECOND READING DRAFT)

The Finance and Facilities Committee recommends that the Board of Trustees approve the proposed amendment to Policy 5.15 Fundraising.

Date Presented to the Finance and Facilities Committee: 11/19/24

Date Presented to the Board of Trustees: 11/20/24

Date of Implementation: 11/20/24

PROPOSED CHANGES (SECOND READING DRAFT)

Single underlining represents proposed new language.

Strikeouts represent existing language proposed to be removed.

1 5.15 Fundraising Principles

2 3 **Part 1. Policy Statement-**

4 ~~It is the policy of the Board of Trustees that any c~~Colleges, universities, and the system office
5 shall ~~conducting~~ fund-raising ~~and/or gambling events shall do so~~ in accordance with the
6 following principles ~~and guidelines.~~

7 8 **Part 2. Fundraising ~~Principles and Guidelines.~~Guidelines-**

9 The related foundations are private, non-profit organizations that have a primary responsibility
10 for fundraising on behalf of a college or university and are recognized by a signed written
11 contract between the college/university and foundation. If a foundation has such a contract in
12 place, it is exempt from any further requirements under this part. If a foundation has a signed
13 contract in place between the foundation and the college or university it supports, no further
14 approval is required.

15
16 Other Organizations ~~whose primary activity is to~~that solicit funds publicly on behalf of the
17 Minnesota State Colleges and Universities or its institutions shall obtain the approval of the
18 chancellor for the system office ~~and or~~ the approval of the president for a college or university
19 before using the college's or university's name or facilities to solicit funds. ~~If a foundation has a~~
20 ~~signed contract in place between the foundation and the college or university it supports, no~~
21 ~~further approval is required.~~

22
23 Organizations ~~whose primary activity is not fundraising but which~~that occasionally provide
24 funds to ~~the~~ Minnesota State ~~Colleges and Universities~~ are not covered by these
25 principles~~guidelines~~ unless their fundraising efforts involve the use of the college or university's
26 name and facilities. ~~However, the~~ Minnesota State ~~Colleges and Universities~~ neither endorses
27 nor disapproves efforts by private sector~~external~~ groups to engage in such fundraising activities
28 when those activities are associated with the sale of goods and services.

29
30 The relationship of ~~the~~ Minnesota State ~~C~~colleges and ~~U~~universities to fundraising efforts for
31 intercollegiate athletics must~~shall~~ be in ~~strict~~ compliance with applicable rules and regulations
32 of any intercollegiate athletic association or conference of which the college or university is a
33 member.

34 35 **Part 3. Gambling-**

36 Except as provided in this policy, no gambling or betting, as commonly understood and/or
37 defined in ~~Minnesota Statutes, Chapter~~ Minn. Stat. Ch. Sec. 609.75-609.76 is allowed on college,
38 university, or system property.

39
40 Raffles are ~~not prohibited~~allowed by this policy if:

- 41 a. The raffle is conducted by a college, university, or system office, or related groups; and
- 42 b. Prizes are donated by an individual, firm, or other organization such as foundations and
- 43 auxiliary boosters; and

44 c. The raffle meets the requirements of ~~Minnesota Statutes section~~ [Minn. Stat. § 349.166](#).

45

46 **Part 4. Accountability/Reporting-**

47 An annual accounting will be provided to the Board of Trustees [upon request](#) of the receipt and
48 disposition of funds or gifts-in-kind contributed to the ~~system~~, colleges, ~~or~~ universities, [or](#)

49 [system office](#) as provided for in Board Policy 7.7, Gifts and Grants Acceptance.

Related Documents:

- [Board Policy 8.3 College and University Related Foundations](#)
- [Board Policy 7.7 Gifts and Grants Acceptance](#)
- [System Procedure 7.7.1](#) Gifts and Grants Acceptance Reporting Form

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- [Minn. Stat. Ch. 309 Social and Charitable Organizations](#)
- [Minn. Stat. 349.12 Definitions](#)
- [Minn. Stat. 349.166 Exclusions; Exemptions](#)
- [Minn. Stat. 609.75 Gambling; Definitions](#)
- [Minn. Stat. 609.76 Gambling; Gross Misdemeanor; Felony](#)

- ~~M.S. 309, Social and Charitable Organization~~
- ~~M.S. 349.12 and 349.166, Lawful Gambling Devices~~
- ~~MS 609.75 – MS 609.76, Gambling~~

Policy History:

Date of Adoption: 06/21/00,

Date of Implementation: 06/21/00,

Last Date of Review:

Date & Subject of Revisions:

Xx/xx/xx – Add Summary

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

Additional [HISTORY](#)

5.15 Fundraising Principles

Part 1. Policy Statement

Colleges, universities, and the system office shall conduct fundraising in accordance with the following principles.

Part 2. Fundraising Guidelines

The related foundations are private, non-profit organizations that have a primary responsibility for fundraising on behalf of a college or university and are recognized by a signed written contract between the college/university and foundation. If a foundation has such a contract in place, it is exempt from any further requirements under this part.

Other organizations that solicit funds publicly on behalf of the Minnesota State Colleges and Universities or its institutions shall obtain the approval of the chancellor for the system office or the approval of the president for a college or university before using the college's or university's name or facilities to solicit funds.

Organizations that occasionally provide funds to Minnesota State are not covered by these principles unless their fundraising efforts involve the use of the college or university's name and facilities. Minnesota State neither endorses nor disapproves efforts by external groups to engage in such fundraising activities when those activities are associated with the sale of goods and services.

The relationship of Minnesota State colleges and universities to fundraising efforts for intercollegiate athletics must be in compliance with applicable rules and regulations of any intercollegiate athletic association or conference of which the college or university is a member.

Part 3. Gambling

Except as provided in this policy, no gambling or betting, as commonly understood and/or defined in Minn. Stat. Sec. 609.75- is allowed on college, university, or system property.

Raffles are allowed by this policy if:

- a. The raffle is conducted by a college, university, or system office, or related groups; and
- b. Prizes are donated by an individual, firm, or other organization such as foundations and auxiliary boosters; and
- c. The raffle meets the requirements of Minn. Stat. § 349.166.

Part 4. Accountability/Reporting

An annual accounting will be provided to the Board of Trustees upon request of the receipt and disposition of funds or gifts-in-kind contributed to the colleges, universities, or system office as provided for in Board Policy 7.7 Gifts and Grants Acceptance.

Related Documents:

- Board Policy 8.3 College and University Related Foundations

- Board Policy 7.7 Gifts and Grants Acceptance
- [System Procedure 7.7.1](#) Gifts and Grants Acceptance Reporting Form

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