

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

Agenda Item Summary Sheet

Committee: Advancement

Date of Meeting: July 21, 2009

Agenda Item: Affiliated Foundations Task Force

- Proposed Policy Change Approvals Required by Policy Other Approvals Monitoring
- Information

Cite policy requirement, or explain why item is on the Board agenda:

In response to four policy-related issues raised in the Office of Internal Auditing report, *College, University and System Affiliated Foundations* (September 2008), the Affiliated Foundations Task Force will offer recommendations to the Board of Trustees.

Scheduled Presenter(s):

Douglas Allen, President, Ridgewater College, Co-Chair, Leadership Council
Advancement Committee (2008-2009)

Maria McLemore, Interim Executive Director, System and Foundation Relations

Outline of Key Points/Policy Issues:

Recommendations are based on four policy-related matters cited in the report:

- 1) What should be the economic tests, if any, used to evaluate foundations affiliated with the system?
- 2) To what extent, if any, should foundations be subject to oversight provisions beyond the basic requirements for non-profit charitable organizations?
- 3) To what extent, if any, should board policy be broadened to address relationships with other private, non-profit organizations, such as booster clubs and alumni associations?
- 4) What should be the ramifications for foundations that cannot meet board requirements?

Background Information:

At the request of the Board of Trustees, the Affiliated Foundations Task Force was established to address issues raised in *College, University and System Affiliated Foundations*. The task force held monthly meetings from January 2009 through June 2009, and shared its recommendations at the June meeting of the Leadership Council.

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MINNESOTA STATE COLLEGES AND UNIVERSITIES**

INFORMATION ITEM
Affiliated Foundations Task Force

BACKGROUND

At the request of the Board of Trustees, the Affiliated Foundations Task Force was established to address issues raised in *College, University and System Affiliated Foundations*:

- 1) What should be the economic tests, if any, used to evaluate foundations affiliated with the system?
- 2) To what extent, if any, should foundations be subject to oversight provisions beyond the basic requirements for non-profit charitable organizations?
- 3) To what extent, if any, should board policy be broadened to address relationships with other private, non-profit organizations, such as booster clubs and alumni associations?
- 4) What should be the ramifications for foundations that cannot meet board requirements?

The task force held monthly meetings from January 2009 through June 2009, and shared its recommendations with college and university presidents at the June meeting of the Leadership Council.