

Chancellor's Memorandum
CM-46 – Fundraising Policy

Initially Issued: November 15, 2000
Last Revised: September 12, 2022

I. PURPOSE

Private funds donated to support LSU Health Sciences Center at New Orleans (LSUHSC-NO) play a critical role in the institution's ability to support student and faculty activities and advance vital physical and programmatic enhancements to the academic, research, and clinical care mission. Further, the donation of private funds helps build endowments to sustain the enterprise for future generations.

Private, nonprofit organizations that have affiliation agreements with the LSU Board of Supervisors to support LSUHSC-NO's mission are key partners in fundraising; these organizations engage donors, both alumni and other supporters, through donations, partnerships, or other philanthropic arrangements that enhance programs, facilities, and research and educational opportunities offered by LSUHSC-NO. LSUHSC-NO and those affiliated supporting organizations work together to maintain excellent donor relations, establish new donor partnerships, and achieve the highest level of donor satisfaction while gaining the maximum level of benefit for the institution.

In order to ensure prudent, effective and ethical practices in the solicitation, receipt, and use of donations of private funds to support the mission of LSUHSC-NO, while ensuring coordination and reducing duplication or conflicting fundraising efforts, this policy establishes guidelines for all fundraising activities on behalf of or for the benefit of LSUHSC-NO or any component thereof.

This Policy applies to all employees of LSUHSC-NO, all employees of any affiliates authorized by the LSU Board of Supervisors pursuant to PM-48, and any volunteers attached to a fundraising project associated with any unit or component of LSUHSC-NO or one of its authorized affiliates.

II. DEFINITIONS

1. **Affiliated Organization** is a private, nonprofit, independent entity which exists to operate in support of the LSUHSC-NO as a party to a Uniform Affiliation Agreement with the LSU Board of Supervisors.
2. **Donation** is a pledge, bequest, or other gift involving cash, cash equivalents, movable personal property, immovable property, goods, or services made to or for the benefit of LSUHSC-NO or an Affiliated Organization.

III. GUIDELINES AND PROCEDURES

1. The authority of Affiliated Organizations to solicit, accept, and administer Donations for the benefit of LSUHSC-NO, as well as the rights, duties, and responsibilities of Affiliated Organizations, are established, defined, interpreted, and monitored by the LSU Board of Supervisors and the LSU President pursuant to the terms of the Uniform Affiliation Agreement and applicable law. Nothing in this policy shall be interpreted as (a) limiting or undermining the authority of the LSU Board of Supervisors or the LSU President with respect to Affiliated Organizations, (b) amending, supplementing, or otherwise modifying the terms of the Uniform

Affiliation Agreement, or (c) undermining the status of Affiliated Organizations as private nonprofit entities in accordance with Louisiana Revised Statute 17:3390.

2. Donations from private sources may be deposited and managed either with an Affiliated Organization or directly with LSUHSC-NO, according to the donor's intent and consistent with all obligations under the Louisiana Code of Ethics. Each Affiliated Organization will maintain appropriate accounts for the management of Donations in accord with all applicable policies, regulations, and laws.

3. In general, the Affiliated Organization that cultivates and solicits a Donation will be the recipient and administrator of the resulting donation. At the direction of a donor, LSUHSC-NO may directly accept and manage a Donation. However, any Donation made to establish an endowment must be received, held, and managed by the LSU Health Foundation.

4. In order to prevent multiple and sometimes conflicting requests to any one prospective donor from multiple Affiliated Organizations, schools, programs, or departments, the executive leadership of all Affiliated Organizations operating in support of LSUHSC-NO shall meet no less than semi-annually with the Chancellor, who, after such consultation, shall have the ultimate responsibility and sole authority to coordinate among them in designating responsibility for prospects and donor clearance for major gifts of greater than \$10,000. All solicitations by LSUHSC-NO faculty and staff of funds greater than \$10,000 must be approved in advance by the appropriate Dean and Chancellor and then managed by the designated Affiliated Organization under this regular review protocol.

5. The Chancellor has the ultimate responsibility and sole authority to:

- a. set priorities for private fundraising opportunities;
- b. reserve any major prospect for cultivation and specific fundraising goals;
- c. approve in advance, in writing, any requested exceptions to this policy.

6. Responsibility of Deans

- a. The deans are ultimately responsible for the raising of private funds to support their respective schools, sections, departments, centers, and programs.
- b. Each dean will determine the fundraising priorities for their school, and will review these priorities annually with the Chancellor, and Affiliated Organization leadership as appropriate, to determine the feasibility and timing of initiatives and develop strategies to ensure success.
- c. Deans must approve in advance all private fundraising efforts or solicitations planned, launched, or managed by faculty and staff of that school.
- d. Annual giving programs will be maintained within each school, and may be coordinated, assisted, or managed by an Affiliated Organization as determined by the dean.

7. Fundraising Program Management

- a. Annual giving programs will be maintained within each school, and may be assisted or managed by an Affiliated Organization as determined by the dean.
- b. All special events and galas must be authorized by the dean of the school which will benefit from the event. Any school that wishes to put on a special event must: (1) notify and clear the date of the event through the appropriate Affiliated Organization; (2) obtain prior approval of all collateral materials from the appropriate Affiliated Organization in advance of printing per IRS regulations; and (3) obtain preliminary approval from the dean and then final approval from the Chancellor.
- c. Special events should cover their total costs with an objective to achieving a net surplus. If the special event loses money, the school hosting the event must cover any lost costs.

d. Planned Giving – Affiliated Organizations will manage planned giving programs to be marketed to LSUHSC-NO alumni, faculty, staff, patients, friends and other supporters. All such planned giving activity on campus will be coordinated by staff the appropriate Affiliated Organization.

8. Ethics in Fundraising

a. All personnel who engage in university fundraising activities, whether those personnel are compensated or uncompensated, full-time or part-time, or employed by or otherwise working for the benefit of LSUHSC-NO or an Affiliated Organization, shall adhere to the Association of Fundraising Professionals Code of Ethical Principles and Standards (AFP –<http://www.afpnet.org/Ethics>), and shall operate at all times in compliance with all applicable state or federal laws.

b. Public employees, including but not limited to LSUHSC-NO employees, remain subject to the Louisiana Code of Governmental Ethics, La. R.S. 42:1101 et. seq., even when involved in fundraising activities on behalf of private entities, which imposes restrictions on the solicitation of certain donations from persons or entities that have or are seeking contractual or other business relationships with LSUHSC-NO.

c. Before soliciting donations from any person or entity known to have or known to be seeking contractual or other business relationships with LSUHSC-NO, public employees should seek guidance from the Office of Legal Affairs & General Counsel.

IV. REFERENCES

LSU System PM-9 Banking Services, Safeguarding of Deposits and Investment and Reporting Policy

LSU System PM-48 University Affiliations

Louisiana Code of Governmental Ethics, La. R.S. 42:1101 et. seq.

La. R.S. 17:33390