

ITEM 156-103-R0912

Campus Affiliated Foundations; Montana University System

THAT

The Board of Regents of Higher Education hereby revises Policy 901.9, Campus Affiliated Foundations, to clarify the role and purpose of the foundations, and to reflect an agreement between the foundations and the MUS for a new reporting requirement.

EXPLANATION

The Board of Regents recognizes that it cannot and should not have direct control over campus-affiliated foundations. At the same time, the Board of Regents is responsible for strictly accounting for the use of public funds, and for ensuring the integrity and reputation of the university system, its campuses and programs. To that end, the Board of Regents must be assured that all campus-affiliated foundations adhere to ethical standards appropriate to such organizations in order to assure the public that it is conducting its mission with honesty and integrity.

In order to assure that the Board of Regents has the information necessary to fulfill these responsibilities, the foundations will provide an annual report to the affiliated campus and the Board of Regents that addresses (1) the financial benefits to and related expenses of the affiliated campus, (2) the investment management results achieved by the foundation related to its endowment portfolio, and (3) performance metrics related to responsibilities cited in the operating agreement. In addition, each foundation will provide a copy of its audited annual financial statement, and its Form 990 as filed with the IRS for each fiscal year.

ATTACHMENTS

Policy 901.9 revised