



DENMARK
TECHNICAL COLLEGE

AREA COMMISSION POLICY # 01-30-05-01 (2020)
FOUNDATIONS AND OTHER COLLEGE AFFILIATED ORGANIZATIONS

Policy Title: Foundations and Other College Affiliated Organizations

Policy Type: Area Commission

Policy Number: AC Policy #01-30-05-01 (2020)

Legal Authority: Section 59-53-51 of the 1976 Code of Laws of South Carolina, As Amended

State Board Policy: 8-2-106 and 8-2-107

Approval Date: May 27, 2020

Responsible Office: Institutional Advancement

Responsible Executive: AVP for Institutional Advancement and Effectiveness

Applies to: All foundations and other College affiliated organizations either bearing the name of or seeking to bear the name of Denmark Technical College and/or to raise funds in support of the College.

POLICY STATEMENT

The Denmark Technical College Area Commission (Area Commission) recognizes that private support enhances the programs, facilities, and educational opportunities offered by Denmark Technical College, including student scholarships. Therefore, the Area Commission encourages the activities of foundations, alumni associations, and other private, nonprofit organizations that raise private funds for the support of the College.

Further, the Area Commission recognizes that private, nonprofit organizations under the direction and control of private individuals who support Denmark Technical College are effective in obtaining private support for the College. College-affiliated foundations are recognized by the Internal Revenue Service as institutionally related nonprofit organizations and, as such, have a special relationship with the College. These foundations play a critical role in obtaining support for the College whose name they bear. This relationship calls upon the College and its affiliated foundation to assume certain responsibilities and obligations as a result of this relationship, under the governance of the Area Commission.

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PURPOSE

This policy provides operating guidelines for private, non-profit foundations and other affiliated organizations supporting the mission and activities of Denmark Technical College.

PROCEDURES

In recognition of the importance of foundations and other affiliated organizations to the College, the following procedures are established:

Approval of Foundations

The existence, organization and establishment of any foundation or affiliated organization for the purpose of accepting private donations in the name of Denmark Technical College and whose purpose is to support Denmark Technical College, including its programs, facilities, scholarships, and community outreach must be reviewed and approved/sanctioned by the President of Denmark Technical College and the Area Commission. The sole beneficiary of such a foundation or affiliated organization must be Denmark Technical College.

As part of this procedure, the Area Commission must also receive and approve the foundation’s or affiliated organizations associated Articles of Incorporation and By-laws. The College President shall have the authority to approve any related cooperative endeavor agreement or operating agreement between the Foundation and the College.

In accordance with applicable provisions of South Carolina law, Denmark Technical College may support an affiliated foundation or other affiliated organization with dedicated staff, accounting services, printed materials and other in-kind services and support to ensure that they can be effective in securing contributions.

Operations and Administration of Foundations and Other Affiliated Organizations

All foundations and other private, nonprofit alumni organizations that raise private funds for the support of Denmark Technical College shall have a financial accounting system established pursuant to customary and current accepted accounting standards.

The financial affairs of the organization shall be audited annually in accordance with generally accepted auditing standards by an independent certified public accountant. Independently Audited Financial Reports for foundations/affiliated organizations supporting Denmark Technical College shall be submitted to Denmark Technical College by such date specified by the College.

Reimbursements and Supplemental Compensation

All foundation payments to an Area Commission member or College employee for any single transaction to, or on behalf of, or to reimburse expenses of an Area Commission member or College employee shall be approved in writing by the College President or their designee. All requests, approvals and documents provided to the Area Commission or College in connection with such requests or approvals, shall be retained on file by the College and shall be subject to inspection, examination, copying and reproduction in accordance with the South Carolina Freedom of Information Act.

Supplemental compensation and fringe benefits provided by the Foundation to College employees:

1. Foundations may fund supplemental compensation or other fringe benefits to College employees provided County and other regulations do not preclude such supplements, are in support of the College's overall mission, and with prior Area Commission approval. Examples of such supplements include but are not limited to salaries or enhanced compensation packages for advancement staff, public/governmental relations, faculty in high-demand programs and the President.
2. The origin and provisions for any salary supplements must be in strict conformity with the *Rules of Conduct* promulgated by the South Carolina State Ethics Commission.
3. The request to the Area Commission to provide supplemental compensation and fringe benefits to College employees (with the exception of the College President) may only be made by the foundation with the agreement of the College President and shall be in accordance with the mission, goals and objectives of the College. Foundation requests to provide supplemental compensation of designated taxable fringe benefits shall be signed by an authorized representative of the foundation and submitted in writing to the Area Commission by the College President and shall require Area Commission approval. The request shall require justification for providing the benefit and its importance in fulfilling the mission of the College.
4. The funds provided by the foundation for supplemental compensation or other designated taxable fringe benefits shall be paid directly to the recipient from the foundation. The recipient shall be responsible for ensuring that all Internal Revenue Service reporting

requirements are met for salary supplement payments. All employees receiving any taxable compensation through the support of a foundation to the College shall remain state employees, accountable only to the College for their job performance. Qualified business expense reimbursements shall be paid directly to the College employee, not to the College.

5. All such payments shall be conditioned upon the foundation having an executed memorandum of agreement (MOA) with the College.
6. In accordance with State Board for Technical and Comprehensive Education (SBTCE) policy, all salary supplements shall be reported to the SBTCE for review.

Funds for student scholarships shall be provided as a grant to the College. The College shall be solely responsible for the selection of scholarship recipients and awarding of scholarship funds.

CONTACT(S)

The Associate Vice President for Institutional Advancement and Effectiveness officially interprets this policy. Additionally, the Associate Vice President for Institutional Advancement and Effectiveness is responsible for obtaining approval for any revisions as required by *Administrative Policy 02.03.06.01 (2020) Policy Classification and Numbering System* and through the appropriate governance structures. Questions regarding this policy should be directed to the Office of Institutional Advancement.

PUBLICATION

The policy will be widely distributed to the College community. To ensure timely publication and distribution thereof, the AVP for Institutional Advancement and Effectiveness will make every effort to:

- Communicate the policy in writing, electronically, or otherwise to the College community, including current and prospective students within fourteen (14) days of approval;
- Submit this policy for inclusion in the Policy Library within fourteen (14) days of approval;
- Post the policy on the College's webpage and all other related webpages, in the student handbook, and in the College catalog; and
- Educate and train all stakeholders and appropriate audiences on the policy's content as necessary.

REVIEW SCHEDULE

- Next Scheduled Review: May 27, 2022
- Approved by Area Commissioners: May 27, 2022

- Revision History: None
- Supersedes: N/A

RELATED DOCUMENTS

There are no related documents associated with this policy.

FORMS

There are no related forms associated with this policy.