

<b>The University of North Texas at Dallas Policy Manual</b>	<b>Chapter 9.000</b>
<b>9.003 Affiliated Entities</b>	<b>University Advancement</b>

**Policy Statement.** This policy sets forth the rules governing the relationship between a private donor or an organization designed to further the mission and goals of the University of North Texas at Dallas (UNT Dallas) and UNT Dallas and its employees, as required by Regents Rule 09.500 and section 2255.001 of the Texas Government Code. This policy establishes the framework within which the UNT Dallas will work with affiliated organizations.

**Application of Policy.** This policy applies university wide.

**Definition(s).**

**Affiliated Entity.** “Affiliated entity” means an organization that is legally distinct from the university but is designed to further the mission and goals of UNT Dallas. Typically, an affiliated entity is a not-for-profit organization, exempt from federal income tax, with Internal Revenue Code section 501(c)(3) status. However, these organizations may exist in a variety of legal structures in support of UNT Dallas. To use “University of North Texas at Dallas” in its name, an organization must be an affiliated entity.

**Procedures and Responsibilities.**

1. Each affiliated entity is required to have a fully executed affiliation agreement between the affiliated entity and UNT Dallas. The affiliation agreement must, at a minimum, include the following provisions:
  - a. Define mission and role of the affiliated entity;
  - b. Outline the responsibilities of the affiliated entity and UNT Dallas, including support and staff services and compensation for services related thereto that is to be provided to the affiliated entity by UNT Dallas;
  - c. the affiliated entity agrees that it shall comply with the rules of the UNT System Board of Regents and policies of UNT Dallas that relate to affiliated entities and development or shall inform the President if unable to do so;
  - d. Ensure that all gifts accepted by the affiliated entity are entered into UNT Dallas’s centralized data system, thereby accurately reflecting a donor’s history and relationship with the affiliated entity and UNT Dallas;

- e. Ensure that should the affiliated entity cease to exist or cease to be an Internal Revenue Code §501(c)(3) organization, the affiliated entity will transfer its assets and property to UNT Dallas or to a reincorporated successor §501(c)(3) entity;
  - f. Specify administration and investment of funds received by the affiliated entity for the benefit of UNT Dallas;
  - g. Acknowledgement that the affiliated entity is legally independent from UNT Dallas, and neither party assumes the other's liabilities;
  - h. The affiliated entity may not share employees with UNT Dallas or use property of UNT Dallas except as specified in the affiliation agreement;
  - i. An employee of UNT Dallas may not receive any monetary enrichment, including but not limited to salary or benefits, from the affiliated entity unless expressly provided for in the affiliation agreement, approved by the UNT Dallas President in writing, or approved in accordance with UNT Dallas' outside employment policy;
  - j. An employee of UNT Dallas may not serve on the board or other governing body of the affiliated entity unless expressly provided for in the affiliation agreement and approved by the UNT Dallas President in writing;
  - k. Specify that in the event an affiliated entity may have access to certain confidential student or other university records, such information will be confidentially maintained and utilized only in accordance with state and federal laws;
  - l. A right to audit provision;
  - m. A hold harmless provision to protect UNT Dallas from potential legal and financial liability and from claims arising out of the negligence or willful malfeasance of the affiliated entity and its officers, agents, or employees; and
  - n. A description of the levels and categories of liability insurance required to be carried by the affiliated entity.
2. An affiliated entity must have the written permission of the UNT Dallas President or his/her designee to use the name, logos, trademarks, seals, service marks, or other identifying marks of UNT Dallas. Upon notification from the President or his/her designee, that this permission is revoked, the affiliated entity will cease use of the name, logos, trademarks, seals, service marks, or other identifying marks of the university.

3. An affiliated entity must accurately represent its relationship with the university in all public communications and shall not hold itself out to be acting as UNT Dallas.
4. The affiliation agreement between UNT Dallas and the affiliated entity must be reviewed and approved by the UNT System Office of General Counsel. Any amendment to the affiliation agreement or any separate agreement between UNT Dallas and the affiliated entity must also be reviewed and approved by the UNT System Office of General Counsel before execution. No provision of the affiliation agreement may conflict with any statute or UNT Dallas or UNT System policy or rule, and any provision found to be in conflict shall be null and void.
5. All affiliated entities shall be approved by the UNT Dallas President or designee.
6. Affiliated entities must comply with applicable provisions set forth in this policy, the rules of the UNT System Board of Regents, and state and federal law. A finding of non-compliance may result in loss of status as an affiliated entity. The UNT Dallas Chief Financial Officer and Vice President for Finance and Administration or his/her designee will be responsible for working with the affiliated entity to complete the steps to end the affiliation status. A non-affiliated entity is not permitted to use the University of North Texas at Dallas in the name of its organization.
7. All affiliated entities must submit the following information to the UNT Dallas President or his/her designee:
  - a. The articles of incorporation and bylaws of the affiliated entity at the time the original affiliation agreement is established and whenever there are changes to either document;
  - b. A list of the officers and board members of the affiliated entity at the time the original affiliation agreement is established and whenever there is a change to the membership; and
  - c. The minutes to the affiliated entity's Board meetings, as requested.
8. For reporting purposes, all affiliated entities must submit the following information to the UNT Dallas Chief Financial Officer and Vice President for Finance and Administration or his/her designee:
  - a. Audited financial reports, including but not limited to balance sheets, income statements, and statements of change of financial position, within 120 days of the end of the affiliated entity's fiscal year;
  - b. A copy of the Internal Revenue Services Form 990, within 30 days after its filing;

- c. A copy of investment policies annually by January 31st;
- d. Signed disclosure statements, no later than January 31st of each year, from all outside financial advisors and service providers consistent with the Texas State Auditor's Office Uniform Disclosure Form;
- e. Other financial information, including but not limited to itemization of assets and asset distribution as requested;
- f. Gift information for each donor in a format specified by the Vice President for University Advancement or his/her designee. Gift information will be submitted on a quarterly basis or as otherwise directed by the UNT Dallas Vice President for University Advancement or his/her designee; and
- g. An accounting of expenses incurred by the affiliated entity on behalf of UNT Dallas in a format specified by the UNT Dallas Chief Financial Officer and Vice President for Finance and Administration or his/her designee. These expenses will be submitted on a quarterly basis or as otherwise directed by the UNT Dallas Chief Financial Officer and Vice President for Finance and Administration or his/her designee.

In collaboration with the Vice President for University Advancement, the UNT Dallas Chief Financial Officer and Vice President for Finance and Administration or his/her designee will maintain a complete set of the submitted documents for reporting purposes and shall disseminate audited financial reports and other financial information to the UNT System Vice Chancellor for Finance upon request.

- 9. Costs associated with financial audits and other reporting requirements are the sole responsibility of the affiliated entity unless otherwise agreed to by the UNT Dallas Chief Financial Officer and Vice President for Finance and Administration.
- 10. The financial structure of the affiliated entity should be supported by written financial procedures that provide detailed descriptions of how financial transactions are to be processed to ensure compliance with the entity's financial policy. Financial procedures provide information on what is required to process various types of financial transactions successfully within the financial structure and system of the specific affiliated entity.
- 11. Every affiliated entity that raises and expends financial resources should have written financial policies readily available. These policies are statements of the entity's requirements in managing, cashing, investing, fund raising, budgeting, expending and reporting financial results and must comply with generally accepted business practices.

**References and Cross-references.**

[Texas Government Code Section 2255.001](#)

[Regents Rule 09.500](#)

[UNT Dallas Policy 4.002, \*Contracts and Agreements\*](#)

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Revised: