

University of Texas System Seminar

Advancement Services Panel

Stan Ledbetter

Assistant Vice President for Development Services

February 24, 2014

CASE Definitions (*Aggie Style*)

- **Gift:** a contribution for which the institution has made no commitment of resources other than using the funds as the donor wishes.
- **Grant:** See above. Usually from a corporation, foundation, or other organization.
- **Contract:** an agreement between the institution and another entity to provide an “**economic benefit**” for compensation. Creates a quid pro quo relationship and is excluded from totals.

Economic Benefit Defined (*Aggie Style*)

- **Webster:** Inflows such as revenues, net income, net cash flows, etc.
- **Per FASB, “Future Economic Benefit”:** to be included on financial statements, must be quantifiable, measurable, and reasonably predictable.
- **Per CASE:**

Gift Scenario

- Development cultivates donors for 2 years
 - President involvement
 - Faculty participation
 - Individual meetings with board members and foundation staff
 - Proposal submitted
 - Board site visit
 - Board votes to give the funds
 - Lawyers on both sides negotiate “the deal”
 - Parties sign, SUCCESS!

Exhibit A (See Handout)

- *Intellectual Property and Return Payment Agreement*
 1. Definitions for this Agreement
 2. Ownership of Intellectual Property/Licenses
 3. Licensing
 4. Return of Foundation Investment

CASE Definitions (*Aggie Style*)

- **Gift:** a contribution for which the institution has made no commitment of resources other than using the funds as the donor wishes.
- **Grant:** See above. Usually from a corporation, foundation, or other organization.
- **Contract:** an agreement between the institution and another entity to provide an “**economic benefit**” for compensation. Creates a quid pro quo relationship and is excluded from totals.

Economic Benefit Defined (*Aggie Style*)

- **Webster:** Inflows such as revenues, net income, net cash flows, etc.
- **Per FASB: “Future Economic Benefit”:** to be included on financial statements, must be quantifiable, measurable, and reasonably predictable.
- **Per CASE:**

The Final Answer is.....

- **Non countable gift on the VSE**
- Added as a Gift on the constituents record
(*signed agreement is titled: **Grant Contract***)
- Stewarded and recognized as a gift
- Reported as giving to our President and Leadership and in our Campaign Totals

Questions/Discussion