Charge to Advisory Task Force on Best Practices Regarding University Affiliated Foundation Relationships  November 15, 2012

The Task Force is asked to make recommendations to the U. T. System Board of Regents, within 180 days, to assure that relationships between U. T. System institutions and the U. T. System and affiliated foundations are optimally structured to serve as a national model for public universities for the best management, compliance, and oversight practices. The recommended model will allow all involved in this important nonprofit volunteer service to serve most effectively and efficiently in the 21st century and beyond.

In the spirit of continual improvement, the Task Force is asked to review issues concerning best patterns for interactions with separately incorporated legal entities set up to benefit the U. T. System or one or more U. T. System institutions or operations. Individual budget units within the U. T. System that carry the historical name “foundation” but are not separate legal entities are not the focus of this review.

The Task Force is encouraged to talk with each U. T. president, seek the participation of the presidents and officers of affiliated foundations, and include national experts in the dialog. A representative of the Texas Attorney General’s office will provide advice and support to the Task Force.

Work of the Task Force should include the identification of best practices, with particular emphasis on

1. Best structures for affiliated foundations/university interactions and reporting
2. Ideal location of and staffing for foundation offices
3. Methods for request, record-keeping, and provision of funding for university support to assure no impermissible direct benefits to U.T. employees
4. Overlaps in foundation and university fund-raising
5. Compliance with today’s legal requirements concerning conflicts and tax issues
6. Enhance delineation of roles of university and foundation activities to reduce confusion or ambiguity
7. Ensure alignment between university-affiliated foundation and university missions

Task Force Membership:

Regent Brenda Pejovich, Chair
Regent Robert Stillwell
Regent Wallace Hall, Jr.
President Diana Natalicio
President David Callender
Chancellor Francisco G. Cigarroa, M.D., *ex officio*
General Counsel to the Board Francie Frederick, *ex officio*
Vice Chancellor Randa Safady, *ex officio*
Interim Vice Chancellor and General Counsel Dan Sharphorn, *ex officio*

Participation to include:

Institutional presidents
Foundation presidents and officers, invited
National experts
Representative of the Office of the Attorney General of Texas