

## **60.03 Approval of Fees for Affiliated Fund-Raising Organizations**

Approved February 27, 1995 (MO 44-95)  
Revised September 26, 1997 (MO 181-97)  
Revised December 5, 2008 (MO 407-2008)  
Revised July 23, 2010 (MO 133-2010)  
Revised September 3, 2014 (MO -2014)  
Next Scheduled Review: September 3, 2019



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### **Policy Statement**

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The affiliation agreement between a member of The Texas A&M University System (system) and an affiliated fund-raising organization may authorize fees charged to the member or fees charged against gifts to the member and/or the affiliated fund-raising organization, such as a one-time development fee or endowment fee or a fee for service.

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### **Reason for Policy**

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This policy establishes the requirements a member must follow in order to authorize an affiliated fund-raising organization to charge a fee that will be used to fund the operations of the affiliated fund-raising organization.

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### **Procedures and Responsibilities**

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1. The affiliation agreement between a member and an affiliated fund-raising organization may authorize fees charged to the member or fees charged against gifts to the member and/or the affiliated fund-raising organization, provided that the requirements of this section are satisfied. Examples of such fees include a reasonable one-time development fee for all gifts to the member and/or the affiliated fund-raising organization, and a fee charged against an endowment or investment of the member managed by the affiliated fund-raising organization. An affiliation agreement authorizing such fees must include provisions that adequately address the following minimum requirements:
  - (a) The amount of the fee, including all terms and conditions applicable to the collection and use of the fee;
  - (b) The affiliated fund-raising organization's responsibility to regularly report to the member the amount and use of such fees collected by the affiliated fund-raising organization, including any applicable reserve balances;
  - (c) Any exceptions to the fees being charged;

- (d) The amount of the fees must be reviewed and renegotiated at least every five years; and
  - (e) The inclusion of member and/or system ex-officio, non-voting positions on the affiliated fund-raising organization's board.
2. An affiliation agreement authorizing a fee in accordance with this policy must also comply with any additional system requirements, such as those provided by System Policy 60.01, *Relationships with Affiliated Organizations*, and System Regulation 60.01.01, *Association with Affiliated Organizations*.
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## **Related Statutes, Policies, or Requirements**

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[System Policy 21.05, Gifts, Donations, Grants and Endowments](#)

[System Policy 60.01, Relationships with Affiliated Organizations](#)

[System Regulation 60.01.01, Association with Affiliated Organizations](#)

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## **Definitions**

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Affiliated fund-raising organization – an entity whose primary mission is to provide financial support to the member, through activities such as raising and/or managing funds for the benefit of the member. An affiliated fund-raising organization is a separate legal entity from the member. Examples of affiliated fund-raising organizations include development foundations, alumni associations and booster clubs.

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## **Member Rule Requirements**

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A rule is not required to supplement this policy.

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## **Contact Office**

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(979) 458-6100