Fiscal Policy

Title: Crowdfunding
Source: Finance Office
Prepared by: Controller
Approved by: Terri Carrothers
Senior Vice Chancellor Administration and Finance
Effective Date: December 1, 2016
Replaces: February 1, 2015
Applies: All campuses (Denver and Anschutz) and the CU South Denver location

A. Introduction

1. Purpose
This policy sets forth the campus requirements for reviewing, approving, conducting, and reporting crowdfunding activities associated with the University of Colorado Denver | Anschutz Medical Campus (“CU Denver | Anschutz”) in order to address financial/legal implications and assure compliance with University, State, and federal requirements.

2. Reference
   A. Animals; Requirements for Conduct of Research
   B. Conflicts of Interest and Commitment
   C. Credit Card Acceptance
   D. Crowdfunding
   E. CU Anschutz Crowdfunding
   F. CU Denver Crowdfunding
   G. Electronic Mail: Use of
   H. Facilities Use by External Entities
   I. Faculty Compensation - Anschutz Medical Campus
   J. Faculty Compensation – Denver Campus
   K. Human Research Protection Program
   L. Information Technology; Providing and Using
   M. Intellectual Property Policy on Discoveries and Patents for Their Protection and Commercialization
   N. Retention of University Records
   O. Student Organizations

3. Applicability
This policy applies to faculty, staff, students, and administrators conducting crowdfunding campaigns or projects to raise funds associated with University activities.
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C. Definitions

1. Approving Official is the highest-level official (or designee) in the school/college or administrative unit most closely affiliated with the campaign or project. For example, if the project seeks to crowdfund an aspect of research being conducted in a campus department, the appropriate Approving Official is the Dean of the school or college.

2. Campaign or Project:\footnote{The term “campaign” and the term “project” are used interchangeably.} - Any category of Crowdfunding activity initiated by a University faculty, staff, student or administrator.

3. Campus Curator is the employee in the Office of Advancement designated to work with the Project Administrators on campus to facilitate the process from creation to completion of the Project.

4. Crowdfunding - Seeking to fund a discrete activity or project through the solicitation of donations (typically small dollar amounts) from large numbers of individuals carried out in an online environment. Crowdfunding activities include, but are not limited to, funding for the following endeavors: research/scholarship, creative work (movies, plays, music, etc.), non-profit/social good ideas, entrepreneurial ideas, and travel that directly benefits the University. This list is not exhaustive, and this definition is intended to be construed broadly to encompass any/all crowdfunding campaigns or projects initiated by staff, faculty, students or administration.

5. Crowdfunding Campus Committee - A committee of seven members including the following: the Vice Chancellors for Development - Denver and Anschutz campuses (or designees), Vice Chancellor for University Communications (or designee), Associate Vice Chancellor for Information Technology, Assistant Vice Chancellor for Regulatory Compliance, Director of Grants and Contracts, and Assistant Vice Chancellor for Finance and Controller. In addition, a representative from Legal Counsel attends the committee in an advisory role. The Crowdfunding committee is responsible for approving campaign projects conducted at CU Denver and Anschutz Medical Campus.

6. Email lists refers to any and all University email lists containing email addresses belonging to CU Denver | Anschutz students, staff, faculty, administration, donors and alumni.

7. Organizers - A faculty member, staff, student or an affiliate employee who proposes and executes a Crowdfunding campaign pursuant to this campus policy.

8. Project Administrator is the individual responsible at the department, division, or administrative unit level for managing a campaign or project that ensures the requirements
of this policy are adhered to and the required campus pre-approvals are obtained before commencing a crowdfunding campaign or project.

9. **Resources** refers to the use of the University’s logos, trademarks, brand, name, intellectual property, IT or computing resources (e.g. university computers and Internet networks), research or laboratory resources, facilities, or email lists. This list is not exhaustive, and this definition is intended to be construed broadly to encompass any/all CU Denver | Anschutz resources used in any crowdfunding campaign/project.

10. **Super Administrator** serves as a liaison between the Campus Curator and central Advancement office.

11. **Third-party crowdfunding** - Any crowdfunding vendor, service provider, website, or portal that is not owned, licensed, or operated by the University.

**D. Policy**

**General**

1. CU Denver | Anschutz utilizes a campus-wide crowdfunding platform to service campaigns or projects that utilize CU Denver | Anschutz resources. Information about this crowdfunding platform can be found at [www.ucdenver.edu/advancement/crowdfunding](http://www.ucdenver.edu/advancement/crowdfunding).

2. Use of Crowdfunding to raise funds at CU Denver | Anschutz as described in this policy is subject to all University of Colorado laws and policies, State and federal requirements.

3. Organizers may only operate Crowdfunding campaigns to receive charitable contributions to the University. Organizers are prohibited from making any promise of ownership interest in the campaign. (See section below titled “Prohibited Promises to Donors”).

4. University logos and trademarks may only be used in connection with Crowdfunding campaigns that have received approval pursuant to this policy. Use of University logos and trademarks must be approved by CU Denver | Anschutz’s manager of University Brand and Design. Such use must comply with all campus and system branding and trademark policies.

5. Students or employees operating crowdfunding campaigns in their individual capacity, not to secure funds for University projects, shall not use university name, branding, trademark, and/or logo in a crowdfunding campaign.

6. Campaigns or projects that do not use any CU Denver | Anschutz resources including CU Denver | Anschutz name, branding, trademark, and/or logo name do not require institutional approval and are not University crowdfunding campaigns.

7. Campaigns or projects that use CU Denver | Anschutz resources, or affiliate themselves with CU Denver | Anschutz in any capacity, must receive prior institutional approval from the appropriate “Approving Official” and the “Crowdfunding Campus Committee”.

8. CU Denver | Anschutz email lists may not be used without prior approval by the appropriate Approving Official and the Crowdfunding Campus Committee.

9. Campaigns or projects that use CU Denver | Anschutz resources, including CU-Denver branding, or that claim to be on behalf of CU Denver | Anschutz, or affiliate themselves with the CU Denver | Anschutz in any capacity, must designate a project manager/campaign leader responsible for seeking the approvals set forth in this policy.
10. In accordance with this policy, CU employees are reminded that the use of university resources for the benefit of private companies is not permitted except in a de minimis manner or where the campus is compensated for such use – See campus policy titled “Facilities Use by External Entities”.

Project Plan
11. Any Project Administrator of a proposed Crowdfunding activity must submit, through the crowdfunding portal, a project plan that includes all of the following information:
   a. description of activity and how will the University benefit from the Crowdfunding campaign;
   b. identification of personnel and students who will be involved in the crowdfunding activity;
   c. funding level sought;
   d. description of how donations, credit card information, and donor information will be recorded, controlled and safeguarded;
   e. budget identifying use of funds and University speedtype from which collected donations will be spent;
   f. manner/schedule by which the University will be reimbursed if any of its resources will be used;
   g. description of purpose to which funds will be directed in the event that the stated funding goal is not met (and, if refunds will be possible, refund policy statement; and
   h. speedtype into which funds will be deposited,
   i. identification of any gifts, perks, or benefits that may be offered to donors.

12. Institutional approval shall not be provided without a complete project plan and the Crowdfunding Campus Committee may request additional information based on uniqueness of the campaign or project.

Donor Gift Receipt
13. All crowdfunding projects must provide clear information to potential donors as to whether the donors will receive a receipt for tax deduction purposes. For campaigns that use CU Denver | Anschutz resources, or CU Denver | Anschutz’s campus-wide crowdfunding donation platform\(^2\), the determination whether donations are tax deductible must be made in consultation with the CU Denver | Anschutz Finance Office.

Gifts or Perks Associated with Crowdfunding
14. Any gifts, perks or benefits associated with projects launched or hosted on any third-party crowdfunding site are wholly the responsibility of the project manager/campaign leader and not CU Denver | Anschutz. Project Managers are cautioned that providing gifts or benefits in exchange for donations may alter the tax deductible status of a donation. Project Manager should consult the Finance Office with any questions regarding this issue.

Prohibited Promises to Donors
15. Organizers may only operate crowdfunding campaigns to receive contributions given without the expectation of receiving anything greater than nominal value (e.g., a coffee mug or T-shirt) in return. Therefore, organizers must comply with the following restrictions:
   a. Organizers may not provide tax advice to donors regarding deductibility of the donation.

\(^2\) Crowdfunding Donation Platform – Requesting assistance from the University’s Development Office in soliciting crowdfunding gifts
b. Organizers may not issue securities to donors, nor may Organizers operate or market a crowdfunding campaign as an investment vehicle.

c. Organizers may not grant rights in University intellectual property to donors.

d. Organizers may not offer any gifts or benefits not identified in the project plan.

16. Any website for a University crowdfunding activity must clearly provide disclaimers substantially similar to the following: “The University of Colorado and the University of Colorado Foundation are registered 501(c)(3) charitable organizations; donors should consult with their own tax advisors to determine whether any particular gift is tax deductible. The University will not issue securities to donors; will not grant any intellectual property to donors; and will not provide donors with anything in return for the contribution other than a token gift of nominal value.”

Credit Card Payments
17. All campaigns that receive payment via credit card, either directly or through a third party service, must receive prior approval by the Finance Office and follow the policies and procedures as outlined in University policy titled “Credit Card Acceptance”.

Approvals
18. Initial approval for a campaign or project must come from the appropriate Approving Official in the school/college or administrative unit most closely affiliated with the campaign or project. In addition, any human subject research must have IRB approval. Once the project manager/campaign leader obtains written approval from the appropriate Approving Official, the request is sent through the crowdfunding portal and then to the Crowdfunding Campus Committee for final institutional approval. The campus committee must receive the request 60 days prior to the proposed start of a campaign or project in order to receive consideration for institutional approval.
### E. Procedures

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<th>Performed By:</th>
<th>Action:</th>
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<tbody>
<tr>
<td><strong>School/College or Administrative Unit</strong></td>
<td>1. <strong>Organizer</strong> - Prepares a crowdfunding project plan and sends to the project manager/campaign leader for initial approval. The project plan must include all items listed in Section 10.</td>
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<td>2. <strong>Project Administrator</strong> - Reviews project plan and resolve documentation deficiencies if applicable with Organizer. Also ensure project plan complies with university policies, rules, and regulations. If initial approval is granted, send project plan to Approving Official at the school/college or administrative unit for approval.</td>
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<td>3. <strong>Approving Official</strong> - Reviews project plan and provide written notification of the approval or rejection of the project plan to the Project Manager/Campaign leader.</td>
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<td>4. <strong>Project Administrator</strong> – If project plan approved, sends documentation (including Approving Official’s written approval) through the crowdfunding portal to be connected with the Campus Curator.</td>
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<td><strong>Campus Curator</strong></td>
<td>1. Assists the Project Manager in submission of crowdfunding applications. Serves as the point of contact for routing request.</td>
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<td>2. Presents the crowdfunding proposal to the Campus Crowdfunding Committee for approval. If approved, facilitates the initiation of the campaign.</td>
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<td>3. Assists the Project Administrator from the beginning to the end of the campaign.</td>
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<tr>
<td>School/College or Administrative Unit</td>
<td>1. Project Administrator – Continue to work with the Campus Curator to initiate crowdfunding activity if approved by the Crowdfunding Funding Committee.</td>
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