

Campus Administrative Policy

Policy Title: **Crowdfunding**

Policy Number: 2003 Functional Area: **Finance**

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Applies to: University of Colorado Denver | Anschutz Medical
Campus

A. INTRODUCTION

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.

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* - Any category of Crowdfunding activity initiated by a University faculty, staff, student or administrator.
3. *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.
4. *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.
5. *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.
6. *Organizers* - A faculty member, staff, student or an affiliate employee who proposes and executes a Crowdfunding campaign pursuant to this campus policy.
7. *Project Manager/Campaign Leader* 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.
8. *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.

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

D. POLICY STATEMENT

1. General

- a. 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.
- b. 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”)
- c. 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.
- d. 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.
- e. 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.
- f. 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”.
- g. CU Denver | Anschutz email lists may not be used without prior approval by the appropriate Approving Official and the Crowdfunding Campus Committee.
- h. 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.

- i. 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”.

2. **Project Plan**

- a. Any Organizer of a proposed Crowdfunding activity must submit to the Crowdfunding Campus Committee a project plan that includes all of the following information:
 - i. description of activity and how will the University benefit from the Crowdfunding campaign;
 - ii. identification of personnel and students who will be involved in the crowdfunding activity;
 - iii. funding level sought;
 - iv. description of how donations, credit card information, and donor information will be recorded, controlled and safeguarded;
 - v. budget identifying use of funds and University speedtype from which collected donations will be spent;
 - vi. manner/schedule by which the University will be reimbursed if any of its resources will be used;
 - vii. 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
 - viii. speedtype into which funds will be deposited,
 - ix. identification of any gifts, perks, or benefits that may be offered to donors.
- b. 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.

3. **Donor Gift Recipient**

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 platform², the determination whether donations are tax deductible must be made in consultation with the CU Denver | Anschutz Finance Office.

4. **Gifts or Perks Associated with Crowdfunding**

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 Manager/Campaign Leaders are cautioned that providing gifts or benefits in exchange for donations may alter the tax deductible status of a donation. Project

Manager/Campaign Leaders should consult the Finance Office with any questions regarding this issue.

5. Prohibited Promises to Donors

- a. 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:
 - i. Organizers may not provide tax advice to donors regarding deductibility of the donation.
 - ii. Organizers may not issue securities to donors, nor may Organizers operate or market a crowdfunding campaign as an investment vehicle.
 - iii. Organizers may not grant rights in University intellectual property to donors.
 - iv. Organizers may not offer any gifts or benefits not identified in the project plan.
- b. 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.”

6. Credit Card Payments

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.”

7. Approvals

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 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

Performed By:	Action:
School/College or Administrative Unit	<ol style="list-style-type: none"> 1. <u>Organizer</u> - 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. 2. <u>Project Manager/Campaign Leader</u> – 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. 3. <u>Approving Official</u> - Reviews project plan and provide written notification of the approval or rejection of the project plan to the Project Manager/Campaign leader. 4. <u>Project Manager/Campaign Leader</u> – If project plan approved, sends documentation (including Approving Official's written approval) to the Crowdfunding Campus Committee for institutional approval.
Performed By:	Action:
Crowdfunding Campus Committee	<ol style="list-style-type: none"> 1. <u>Crowding Committee - Administrative Assistant</u> – Confirm project plan documentation is complete. Resolve any missing documentation (if applicable) with Project Manager/Campaign Leader and or Organizer prior to committee meeting. If documentation is complete, send plan documentation to committee members ten days prior to meeting for review. 2. <u>Crowdfunding Committee Meeting</u> – A quorum of a four committee members must be present (or conference call) in order to approve or reject a crowdfunding campaign or project. The Project Manager/Campaign Leader and or Organizer may attend the meeting to present their program plan and answer committee questions. Crowdfunding committee members will vote on the project plan presented. The decision of the committee is final. 3. <u>Crowdfunding Committee</u> – Written notification via email will be sent to the Project Manager/Campaign Leader and the Organizer indicating the approval or rejection of the requested crowdfunding campaign or project. If campaign or project is rejected, the committee will provide the reason for the rejection and what plan modifications are necessary in order the project plan to be reconsidered for approval.
Performed By:	Action:
School/College or Administrative Unit	<ol style="list-style-type: none"> 1. <u>Project Manager/Campaign Leader</u> and or <u>Organizer</u> – Initiate crowding funding activity if approved by the Crowding Funding Committee.

Notes

1. Dates of official enactment and amendments:
Adopted by CU Denver Chancellor's on February 1, 2015.
2. History:
November 28, 2018: Modified to reflect a 2018 Campus-wide effort to recast and revitalize Campus policy sites into a standardized and more coherent set of chaptered policy statement organized around the several operational divisions of the university. Article links, university branding and formatting updated by the provost's office.
3. Initial Policy Effective Date:
February 1, 2015
4. Cross References/Appendix:
 - [Animals; Requirements for Conduct of Research](#)
 - [Conflicts of Interest and Commitment](#)
 - Campus Policy 2019, [Credit Card Acceptance](#)
 - Electronic Mail: Use of
 - Campus Policy 3036, [Facilities Use by External Entities](#)
 - Campus Policy 1005, [Faculty Compensation - Anschutz Medical Campus](#)
 - Campus Policy 1006, [Faculty Compensation – Denver Campus](#)
 - Human Research Protection Program
 - Campus Policy 5001, [Acceptable Use of Information Technology](#)
 - Administrative Policy Statement 1013, [Intellectual Property Policy on Discoveries and Patents for Their Protection and Commercialization](#)
 - Administrative Policy Statement 2006, [Retention of University Records](#)
 - Campus Policy 7029, *Student Organizations*