University of Colorado **Denver | Anschutz Medical Campus**

Campus Administrative Policy

Policy Title: **Crowdfunding**

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

Effective: December 1, 2016
Date Last Amended/Reviewed: December 1, 2016
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Approved by: Terri Carrothers
                                          Executive Vice Chancellor for Administration and
                                          Finance

Prepared by: Controller
Reviewing Office: Provost and Executive Vice Chancellor for Academic and
                                          Student Affairs
Responsible Officer: Provost and Executive Vice Chancellor for Academic and
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Applies to: CU Anschutz Medical Campus
                                          CU Denver Campus

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.   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[1] - 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 CU Anschutz.

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

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[1] The terms "campaign" and "project" are used interchangeably.

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 crowd-funding - 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.

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 3036, *Facilities Use by External Entities.*

Project Plan

1. 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.

2. 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

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

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

1.   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.
    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.

2.   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

1.   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 campus policy 2019, *Credit Card Acceptance*.

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[2] Crowdfunding Donation Platform—Requesting assistance from the University's Development Office in soliciting crowdfunding gifts.

<u>Approvals</u>

2. 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 COMIRB 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

Performed By:	Action:
School/College or Administrative Unit	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 11. 2. <u>Project Administrator</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 Administrator</u> – If project plan approved, sends documentation (including Approving Official's written approval) through the crowdfunding portal to be connected with the Campus Curator.

Performed By:	Action:
Campus Curator	1. Assists the Project Manager in submission of crowdfunding applications. Serves as the point of contact for routing request. 2. Presents the crowdfunding proposal to the Campus Crowdfunding Committee for approval. If approved, facilitates the initiation of the campaign. 3. Assists the Project Administrator from the beginning to the end of the campaign.

Crowdfunding Campus Committee	1. <u>Crowding Committee - Administrative Assistant</u> – Confirm project plan documentation is complete. Resolve any missing documentation (if applicable) with Campus Curator 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 four committee members must be present (or conference call) in order to approve or reject a crowdfunding campaign or project. The Campus Curator may attend the meeting to present the 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 Campus Curator 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	1. <u>Project Administrator</u> – Continue to work with the Campus Curator to initiate crowdfunding activity if approved by the Crowding Funding Committee.

Notes

1. Dates of official enactment and amendments:
    February 1, 2015: Approved by the Vice Chancellor for Administration and Finance
    December 1, 2016: Revised by the Senior Vice Chancellor for Administration and Finance
    November 28, 2018: Modified

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 statements 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:
    * Administrative Policy Statement 1013, *Intellectual Property Policy on Discoveries and Patents for Their Protection and Commercialization*
    * Administrative Policy Statement 2006, *Retention of University Records*
    * Administrative Policy Statement 4060, *Crowdfunding*
    * Campus Policy 1005, *Faculty Compensation - Anschutz Medical Campus*
    * Campus Policy 1006, *Faculty Compensation – Denver Campus*

- Campus Policy 2019, *Credit Card Acceptance*
- Campus Policy 3036, *Facilities Use by External Entities*
- Campus Policy 5001, *Acceptable Use of Information Technology*
- Campus Policy 6001, Conflicts of Interest and Commitment
- Campus Policy 7029, *Student Organizations*
- Animals; Requirements for Conduct of Research
- Human Research Protection Program