



**NORTH CAROLINA SCHOOL OF
SCIENCE AND MATHEMATICS**

Title	OVERSIGHT OF ASSOCIATED ENTITIES
Authority	Chancellor
History	Effective July 1, 2007
Legal Reference	BOG 600.2.5 Annual Financial Audits and Oversight of University Related Private Foundations; 600.2.5.1[G] Guidelines on Annual Financial Audits of University-Related Private Foundations; BOG 600.2.5.2[R]
Additional References	
Responsible Offices	Chancellor, Vice Chancellor for Finance and Operations
Classification	6400

1. PURPOSE

The North Carolina School of Science and Mathematics and The University of North Carolina benefit substantially from the generous support and contributions made by privately chartered foundations, associations and clubs which have been established by interested citizens for the purpose of providing resources to enrich various programs of the School and University. This procedure implements University regulations regarding oversight of associated entities which use the University’s or School’s name or other resources.

2. PROCEDURE

2.1. Definition of Associated Entity. An “associated entity” means any foundation, association, corporation, LLC, partnership or other non-profit entity that was established by the School, that is controlled by the School, that raises funds in the name of the School, that has a primary purpose of providing services or conducting activities in furtherance of the School’s mission pursuant to an agreement with the School, or that has a tax exempt status that is based on being a support organization for the School. This definition does not include student clubs chartered pursuant to the Student Government Association nor does it include school-sponsored organizations which are integral to the operation of the School and utilize volunteer advisory boards, e.g. the Parent Council, the Alumni Board.

2.2. Request for Approval. Any entity seeking to use the School’s name, the University’s name or any School or University logo or trademark in fundraising must submit a written request to the Chancellor requesting approval as an “associated entity” before the entity may use the School’s or University’s name, logo, trademark, or resources in fundraising.

2.3. Approval to Operate. The Chancellor, or designee, may conduct any review necessary to inform the decision to grant approval as an associated entity. Approval shall be in writing by the Chancellor and shall be accompanied by a written agreement (Memorandum of Understanding). The Memorandum of Understanding shall address organizational,

governance, fiscal, and other requirements as may be set by the Chancellor not inconsistent with University policy.

- 2.4. Annual Reports Required. Annual reports, including a copy of the associated entity's independent financial audit, shall be submitted to the Chancellor by December 1. The audit need not include identification of persons or entities that have made contributions to the private associated entity. Such audits become subject to North Carolina Public Records laws.
- 2.5. Transmittal of Reports. The Chancellor shall transmit the annual reports to the Chair of the Board of Trustees via the Chair of the Fiscal, Audit and Human Resources Committee of the Board, and to the President via the Vice President for Finance.
- 2.6. Periodic Review. Continued status as an associated entity is subject to periodic review by the Chancellor and may be withdrawn in accordance with a Memorandum of Understanding, University policy, or state or federal law.