

Senate Resolution 557

By: Senators Thomas of the 54th, Harp of the 29th, Moody of the 56th, Mullis of the 53rd, Smith of the 52nd and others

A RESOLUTION

1 Urging the Board of Regents of the University System of Georgia to consult with
2 representatives of the Association of Governing Boards; and for other purposes.

3 WHEREAS, the Board of Regents of the University System of Georgia (the "Board of
4 Regents") is the governing body that is responsible for the operation and oversight of the 34
5 University System of Georgia educational institutions (the "Institutions"); and

6 WHEREAS, many of the Institutions have affiliated independently incorporated 501(c)(3)
7 nonprofit organizations (the "Foundations") created for the purpose of stimulating voluntary
8 private support from alumni, friends, foundations, and corporations and to manage and
9 distribute resources to support the various missions of the Institutions; and

10 WHEREAS, the various boards of directors of the Foundations (the "Foundation Boards")
11 are bound by the terms, conditions, and restrictions of their governing articles and bylaws
12 and as established by donors of the Foundations; and

13 WHEREAS, the Foundation Boards are legally responsible for the performance and
14 oversight of all aspects of the Foundations, including compliance with Internal Revenue
15 Service regulations and state and federal laws; and

16 WHEREAS, the Foundations were established to support the Institutions for the betterment
17 of the State of Georgia; and

18 WHEREAS, there have been questions in other states about the relationship of organizations
19 similar to the Foundations and the governing bodies of the educational institutions of such
20 other states; and

21 WHEREAS, the Association of Governing Boards ("AGB") and the Council for the
22 Advancement and Support of Education ("CASE") established a national committee to study

1 the relationship between university foundations and the applicable university governing
2 bodies; and

3 WHEREAS, the study committee was comprised of nationally known individuals, including
4 university presidents, foundation presidents, a federal judge, and foundation trustees; and

5 WHEREAS, the AGB and CASE study committee worked two years to develop a national
6 model agreement entitled the "AGB-CASE Illustrative Memorandum of Understanding" (the
7 "Model MOU") which contains a proposed framework for agreements to clarify the
8 relationship between university foundations and the applicable university governing bodies;
9 and

10 WHEREAS, the Model MOU has been introduced in other states.

11 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE that this body hereby urges
12 the Board of Regents of the University System of Georgia to consult with representatives of
13 the Association of Governing Boards concerning the appropriate relationships between
14 university foundations and university governing bodies.

15 BE IT FURTHER RESOLVED that the Secretary of the Senate is authorized and directed
16 to transmit copies of this resolution to the Board of Regents of the University System of
17 Georgia.