A. Structural Guidelines

1. A university related corporation is an organization that is created and operated exclusively to benefit the university or one or more of the university's colleges, schools or departments, and has as its purpose one or more of the following:

   a. To facilitate fund raising programs and contributions from private sources for the benefit of the university or one or more of its colleges, schools or departments;

   b. To manage and invest private gifts and/or property for the benefit of the university or one or more of its colleges, schools or departments;

   c. To promote, sponsor, and complement educational, scientific, research, athletic, charitable, or cultural activities for the benefit of the university or one or more of its colleges, schools or departments; or

   d. To encourage the participation and activities of alumni in furtherance of the university's mission.

2. University related corporations may be created only with the approval of the Board of Visitors after a review of the purpose of the corporation, its proposed organizational format, and the scope of its activities.

3. Each corporation shall select a senior administrator of the university from the areas supported by the corporation, to serve on the corporation's governing board.

4. Each corporation shall establish an audit committee to report to the board of the corporation.

5. Each corporation's charter and bylaws shall provide that in the event of dissolution of the corporation, the corporation's assets will be distributed in the best interests of the university and, if applicable, the college, school or department within the university that the corporation was created to support.

B. Guidelines for Contractual Relationships With the University

1. Each corporation shall execute a formal agreement specifying the responsibilities of the corporation, acknowledging restrictions on its fund raising activities, and
including other provisions of general application as may be specified by the Board of Visitors.

2. This formal agreement will contain the following provisions:

a. The corporation will coordinate with the university and its other related organizations with respect to all fund raising activities undertaken in the name of the corporation.

b. The corporation will provide the university with an advance copy of any amendments, additions or deletions to its articles of incorporation or bylaws.

c. The university and the corporation acknowledge the independent status of the corporation and agree that the university and the state are not liable, and will not be held out by the corporation as liable, for any of the corporation's contracts, torts, or other acts or omissions, or those of the corporation's trustees, directors, officers, members, staff or activity participants.

d. All correspondence, solicitations, activities and advertisements concerning the corporation will be clearly discernible as being from the corporation and not the university.

e. The corporation will not offer a post-secondary course, seminar, workshop or similar instruction, whether or not for credit, using the name of the university or any of its colleges, schools or departments. Any publicity concerning such a course must make clear that it is not being offered by the university or any of its academic departments. This does not apply to athletic scholarship fund raising projects, such as the baseball clinic, where instruction is only an incidental aspect of the project.

f. Funds or gifts payable to the Board of Visitors, and/or Old Dominion University, or to any other university component shall not be considered as an asset of a related corporation. Such gifts may be deposited with a corporation, however, pursuant to an appropriate asset/investment management contract as provided hereinafter.

g. Any transfer of endowments or other assets by the university to a corporation, or by a corporation to the university, for management or investment will be formalized in a memorandum of agreement to assure, among other things, that any restrictions governing the future disposition of funds are observed.

h. The university will obtain approval from the board of the corporation, the university's Board of Visitors and the State in order to borrow funds from the corporation, to the extent permitted by law.

i. The university is entitled to recover its costs incurred for personnel, use of facilities, or other services provided to the corporation.
C. Financial Reporting Guidelines and Audit Requirements

1. At the request of the president of the university, the corporation will forward to him or her a financial report on an annual basis, including a copy of the corporation's annual audited financial statement. This report shall include a description of all expenditures by program and an identification of all investments, including real estate.

Corporations recording annual revenues of less than $50,000 will not be required to present an audited financial report, but only a financial report compiled by a qualified accounting firm, including the items previously mentioned.

2. The following items shall supplement the annual financial report to the president of the university:

   a. Notice of any litigation or threat of litigation brought against the corporation, its officers or directors.

   b. Notice of any planned major capital expenditure.

   c. A copy of each IRS form 990, and 990T if applicable, as filed.

   d. A detailed list of any compensation, prize or award paid to any university employee or member of the employee's "immediate family" as that term is defined in §2.1-639.2 of the Code of Virginia, whether in the form of money or property or the use of money or property.

   e. A detailed list of all private firms responsible for managing or investing the corporation's assets and the fee, if any.

   f. Notice of any audit or review by any tax authorities or action taken, or threatened action, that would adversely affect the tax-exempt status of the corporation.