

UC Davis Policy and Procedure Manual

Chapter 260, Gifts and Endowments

Section 15, Solicitation and Acceptance of Private Support

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Responsible Department: Development & Alumni Relations

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I. Purpose

This section outlines the basic policies and procedures governing the solicitation and acceptance of private support, including gifts, pledges, philanthropic private grants, and similar contributions from private sources.

II. Definitions

- A. Acceptance—agreement between the University and the donor to the terms and conditions of a gift.
- B. Acknowledgment—written notification sent to inform a donor that private support has been received (see [Section 260-25](#)).
- C. Donor—individuals, trusts, estates, corporations, business and professional associations, foundations, and other non-government agencies or organizations who give private support to the University.
- D. Gift—anything of assignable value that is voluntarily and legally transferred to the University's ownership and possession, is donative in intent, is without expectation of tangible compensation, is awarded irrevocably, and for which contractual or grant requirements generally are not imposed.
- E. Philanthropic private grant—an award that is noncontractual in nature but for which one or more of the following characteristics might apply:
 - 1. Provision for audits by grantor.
 - 2. Specified period of performance is prescribed or termination is at the discretion of the grantor.
 - 3. Grantor requires report of research results or expenditures.
 - 4. Testing or evaluation of proprietary products is involved.
 - 5. Grantor states a precise scope of work rather than general area of research.
 - 6. Unexpended funds must be returned to the grantor.
 - 7. Grantor requests patent rights or right to review publications prior to submission.The determination of when private support constitutes a philanthropic private grant must be made by looking at the award in its entirety rather than through a defined set of criteria.
- F. Receipt—Internal Revenue Service (IRS) specified written notification sent to a donor after private support is received (see [Section 260-25](#)).
- G. Solicitation—submission of a verbal or written proposal or letter of intent that seeks private support or proposes to accept a proffered gift, including the nature and scope of research to be conducted under a proposed gift in support of research.

III. Policy

- A. Policy regarding private support originates in the [Standing Order of The Regents 100.4\(dd\)](#) with certain authority to solicit and accept private support delegated to the President, and from the

President to the Chancellor (see [DA 2588](#) for further redelegation of authorities).

- B. The terms and conditions of any private support solicited or accepted for the University must conform to established University programs and policy and must not constitute a commitment requiring expenditures in excess of budgeted items, or obligations on the part of the University to expenditures or costs for which there is no established fund source.
- C. All private support must be accepted in the name of, and become the property of, The Regents of the University of California or the UC Davis Foundation and must be managed according to University fiscal and investment policies and practices.
- D. If private support is accepted by the University without disclaimer to the donor, the University assumes the legal obligation to administer the award in a manner consistent with the terms specified by the donor.
- E. All gifts are subject to a gift fee (see [Section 260-50](#)).

IV. Solicitation of Private Support

- A. All solicitations of private support require advance approval of officials in Development & Alumni Relations or the Chancellor as designated in [DA 2588](#). Solicitations of private support for specific purposes require additional advance approvals as follows:
 - 1. Solicitations for support of ongoing University programs require approval from the appropriate vice chancellor, vice provost, or dean.
 - 2. Solicitations for support of new programs or activities require approval from the appropriate vice chancellor, vice provost, or dean; the program must be formally approved prior to solicitation (see [Section 200-25](#)).
 - 3. Solicitations for support of a new research fund require approval from the Office of Research.
 - 4. Solicitations for deferred gifts that will be established through a charitable trust, gift annuity, pooled income fund, or other deferred gift vehicle require approval by the Vice Chancellor—Development & Alumni Relations, Assistant Vice Chancellor—Planned Giving, and Assistant Vice Chancellor—Advancement Services.
 - 5. Before soliciting for support of a construction or other capital project, the project must be formally approved as indicated by its inclusion in the University's most recent Capital Improvement Program.
 - a. Required campus plans or environmental review processes must already be completed.
 - b. Private support may be used only for those portions of the project funding that is indicated as coming from non-State sources in the Capital Improvement Program.
 - c. Any private support for construction projects that were not previously approved must be authorized by The Regents prior to acceptance.
- B. Mass solicitation of multiple donors, primarily through mail, telephone, email, text and/or crowdfunding require approval of the Vice Chancellor—Development & Alumni Relations and the Associate Vice Chancellor—University Development.
 - 1. Departments must submit draft solicitation pieces to the University Development Office and Advancement Services prior to any solicitation.
 - 2. Solicitation materials must be reviewed by the Vice Chancellor—Development & Alumni Relations or the Associate Vice Chancellor—University Development, and the Assistant Vice Chancellor —Advancement Services to ensure pieces conform to University

requirements and include appropriate disclosures.

3. Solicitation materials for support for research require additional review by the Office of Research.
 4. Sample solicitation materials, disclosure, solicitation guidelines are available at <http://ais.ucdavis.edu/gifts/gift-admin-forms.html>.
 5. Crowdfunding guidelines are available <http://giving.ucdavis.edu/ways-to-give/crowdfunding/index.html>.
- C. All solicitations of \$50,000 or more must be cleared through the Development & Alumni Relations Prospect Management and Tracking System (PMATS) prior to any solicitation.
1. A prospect's PMATS status and Relationship Manager must be verified in the AIS system.
 2. No contact should be initiated with a PMATS prospect prior to coordinating with the PMATS Relationship Manager.

V. Acceptance of Private Support

- A. The authority to accept private support on behalf of the University is limited as described in [DA 2588](#).
1. Vice chancellors, vice provosts, and deans are authorized to accept gifts not exceeding \$1,000,000 on behalf of their department but not on behalf of the University. All gifts must be submitted to Gift Administration, Advancement Services, Development & Alumni Relations for formal acceptance (see VI.E, below).
 2. Vice chancellors, vice provosts, or deans may authorize a designee to accept gifts not exceeding \$250,000 on behalf of their department but not on behalf of the University.
 - a. All gifts must be submitted to Development & Alumni Relations for formal acceptance (see VI.E, below).
 - b. This authorization must be made in writing on a Delegation of Signature Authority for Gifts form (available upon request from [Advancement Services](#)) and filed with the Gift Administration Office, Development & Alumni Relations.
 3. If the gift is under \$25,000, a department approval signature is not required for department acceptance.
 4. An individual must not accept any gift that they have solicited.
- B. Gifts must be submitted to Development & Alumni Relations for formal acceptance through the Gift Reports, Entry, and Tracking ([GREAT](#)) system.
1. Only those individuals described in V.A.1-2 above are authorized to submit gifts for formal acceptance.
 2. If a specific type gift type is not supported by GREAT or for more information, contact [Advancement Services](#).
- C. Prior to acceptance, Development & Alumni Relations must review each gift to substantiate the following:
1. The terms and purpose of the gift are acceptable to the University and are clearly supported by accompanying documentation or instructions.
 2. The commitment of departmental resources related to acceptance of the gift has been properly approved.

3. The donor's terms and conditions have been properly conveyed in the processing of the gift.
 4. The donor's written instructions, related documentation, and direct follow-up with the donor supports that the transaction represents a gift rather than another type of payment (e.g., rebate, fee for service).
- D. The minimum principal required to establish an endowment or a fund functioning as an endowment (i.e., a fund where the principal must remain inviolate) through a UC Davis Foundation or UC Regents fund is \$50,000. Additional information regarding endowments is available from the [Office of University Development](#).
- E. Expenditure of private support
1. Gift monies accepted by either the UC Davis Foundation or UC Regents must be tendered to a UC Regents account before the expenditure of funds can be authorized, directed, or recommended.
 2. Expenditure of gifts must be in accordance with donor wishes as agreed to by the University.
 3. Employees who donate gifts must not have signature approval over expenditures from that gift fund.
 - a. The department head or vice chancellor/vice provost/dean retains signature authority over those funds.
 - b. The department head or vice chancellor/vice provost/dean verifies in writing acknowledgment of this requirement prior to acceptance of the gift.
 4. Gifts and private grants cannot be deposited into any agency fund (see [Section 330-09](#)).
- F. Gifts can be allocated or reallocated as described in the systemwide [Administrative Guidelines for Allocation, Reallocation and Administration of Gifts and Bequests Received by The Regents and the Campus Foundations](#).

VI. Responsibilities

- A. Development & Alumni Relations is responsible for the following:
1. Administering and overseeing all matters related to fundraising, including implementation and enforcement of private support related policies.
 2. Determining the acceptability and terms of proffered private support in accordance with Regental and University policy.
 3. Maintaining private support records and reporting private support to the appropriate campus officials and Office of the President.
 4. Coordinating with academic units to provide information and assistance to donors and prospective donors.
 5. Providing IRS compliant receipts for all appropriate support transactions.
- B. The Office of Research is responsible for reviewing and coordinating all matters relating to solicitation of private grants in support of research, and coordinating with Development & Alumni Relations to assure that proposed research programs comply with University policies.
- C. College/School/Unit development offices are responsible for coordinating the following with Development & Alumni Relations:
1. Ensuring unit fundraising and gift processing activities comply with University policies.

2. Assisting faculty and staff in interpreting University policies related to fundraising and gift acceptance.
 3. Assisting authorized faculty and staff in the solicitation of private support.
 4. Assisting departments in donor stewardship.
- D. Benefiting departments are responsible for coordinating the following with Development & Alumni Relations:
1. Assuring that private support is used in accordance with donor instructions as accepted by the University.
 2. Properly processing gifts for University acceptance (see [Section 260-25](#)).
 3. Properly reviewing gifts to assure compliance with University policies prior to acceptance of gift on behalf of the department.
- E. Vice chancellors, vice provosts, deans, and designees accepting private support on behalf of their departments are responsible for coordinating the following with Development & Alumni Relations:
1. Reviewing the gift to determine that the terms and purpose are acceptable to the unit and the University and ensuring compliance with such terms.
 2. Ensuring that the terms and purposes of the gift are clearly supported by the documentation and donor instructions accompanying the gift.
 3. Ensuring that appropriate approvals have been secured related to committing departmental resources related to acceptance of the gift.
 4. Reviewing written donor instructions, related documents, and directing follow-up with the donor to ensure that the transaction represents a gift rather than another type of payment (e.g., rebate, fee for service).
 5. Submitting the gift for formal acceptance by Development & Alumni Relations.

VII. Further Information

- A. Contact [Advancement Services](#) at 530-754-1106, or [Development & Alumni Relations](#) for questions regarding the solicitation or acceptance of private support, or the appropriateness of inquiries.
- B. Contact the [Office of Research](#) for questions regarding private support for research.
- C. Contact [Development & Alumni Relations' Advancement Services](#), [the UC Davis Foundation](#), or [the Extramural Funds Division, Accounting and Financial Services](#), for questions regarding the establishment and expenditure of funds resulting from private support.

VIII. References and Related Policies

- A. [Standing Order 100.4\(dd\) of The Regents](#).
- B. [Office of the President](#):
 1. [Development Reference Guide](#).
 2. [Review of Gifts/Grants for Research](#).
 3. [DA 2588, Delegation of Authority—To Solicit and Accept Gifts](#).
- C. UC Davis Policy and Procedure Manual:
 1. [Section 230-01, Private Support of Research](#).

2. [Section 260-25, Gift Processing and Acknowledgement Procedures.](#)
3. [Section 260-35, Donor Recognition.](#)
4. [Section 260-40, Memorial/Commemorative Funds.](#)
5. [Section 260-50, Gift Fee: Assessment and Distribution.](#)
6. [Section 270-16, Fundraising on University Property.](#)
7. [Section 330-09, Agency Account Services.](#)