

April 29, 2021

Shane White, Chair  
Academic Senate

**Re: Systemwide Review: Proposed Presidential Policy on Classification of Gifts and Sponsored Awards**

Dear Chair White,

At its meeting on April 7, 2021, the Council on Research (COR) had an opportunity to review the proposed Presidential Policy on Classification of Gifts and Sponsored Awards. Members offered the following comments.

Members observed that although the policy is intended to provide clarity, it has ineffectual and unclear aspects. It lacks flexibility built into the process to classify awards that have a specific intent. Members indicated that some might take advantage of the ambiguity to avoid certain institutional taxes.

Moreover, a few members proposed different tiers for indirect cost recovery as a mechanism for facilitating funding in which the agency or foundation is unable to afford the indirect cost.

Thank you for the opportunity to review and comment. If you have any questions for us, please do not hesitate to contact me at [julianmartinez@mednet.ucla.edu](mailto:julianmartinez@mednet.ucla.edu) or via the Council's analyst, Elizabeth Feller, at [efeller@senate.ucla.edu](mailto:efeller@senate.ucla.edu).

Sincerely,

Julian Martinez, Chair  
Council on Research

cc: Jody Kreiman, Vice Chair/Chair-Elect, Academic Senate  
Michael Meranze, Immediate Past Chair, Academic Senate  
April de Stefano, Executive Director, Academic Senate  
Elizabeth Feller, Principal Policy Analyst, Council on Research  
Members of the Council on Research