

# Executive Board

## (Systemwide Senate Review) Proposed Presidential Policy on Classification of Gifts and Sponsored Awards

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Mary Gauvain  
Telephone: (510) 987-0887  
Email: mary.gauvain@ucop.edu

*Chair of the Assembly of the Academic Senate  
Faculty Representative to the Regents  
University of California  
1111 Franklin Street, 12th Floor  
Oakland, California 94607-5200*

May 28, 2021

**SUSAN CARLSON, VICE PROVOST  
ACADEMIC PERSONNEL**

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

Dear Susan,

As requested, I distributed for systemwide Senate review the proposed Presidential Policy on Classification of Gifts and Sponsored Awards. Nine Academic Senate divisions and one systemwide committee (UCFW) submitted comments. These comments were discussed at Academic Council's May 26 meeting and are attached for your reference.

We understand that the Policy is intended to provide a modern framework for the classification of different forms of external private support, to help ensure they receive proper stewardship, accounting, compliance review, and administrative oversight. The Policy describes the characteristics of and distinctions between "gifts" and "sponsored awards"; identifies criteria campuses should consider in characterizing external support; and includes a decision tree checklist with weighted criteria for use in characterizing private support as a gift or sponsored award.

Senate reviewers found many aspects of the policy to be reasonable, appropriate, and effective in providing guidance around cases in which grants have characteristics of both gifts and sponsored awards. However, reviewers also identified several significant concerns that should be addressed before the policy is finalized and issued. Several of these concerns are summarized below, but we encourage you to review the other detailed comments from faculty in the attached packet.

Some faculty found the policy to be inconsistent in its guidance about whether the criteria listed to aid in decisions about characterizing a grant as a "gift" or "sponsored award" are really determinative in the decision, or should be considered in a balancing test. Contributing to this confusion is a disclaimer in the decision tree that the checklist "is not intended as a substitute for the judgment of University employees," which suggested to some reviewers that administrators ultimately are not obligated to follow the criteria.

Several reviewers emphasized that Principal Investigators should have the opportunity to provide input into the classification of their external funding awards if the award has characteristics of both gifts and sponsored awards. This is important because these decisions often have significant

implications for the PI and their project. Reviewers also felt the policy should include a process for documenting and working through disputes over classification.

Several reviewers recommended additional clarifications concerning the treatment of gift fees and indirect costs (IDC) in the policy and/or the FAQs that address who determines IDC for sponsored awards, what criteria should be used to determine IDC, and how IDC will be treated if the faculty received the grant while at another institution. Another suggestion is to implement different tiers for IDC recovery to increase affordability for more agencies and foundations. Finally, the policy is silent about the treatment of gifts and sponsored awards received by students. More information and guidance about to handle such awards for graduate students is especially important to include in the policy.

We appreciate the opportunity to comment. Please do not hesitate to contact me if you have additional questions.

Sincerely,

A handwritten signature in cursive script that reads "Mary Gauvain".

Mary Gauvain, Chair  
Academic Council

cc: Academic Council  
Senate Directors  
Executive Director Baxter

Encl.



May 17, 2021

MARY GAUVAIN  
Chair, Academic Council

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

Dear Chair Gauvain;

On May 10, 2021, the Council of the Berkeley Division (DIVCO) included the proposed *Presidential Policy on Classification of Gifts and Sponsored Awards* and written comments from the Committee on Research (COR) in its agenda packet as a consent calendar item.

DIVCO endorses COR's comments in support of the policy. Please see attached.

Sincerely,

A handwritten signature in blue ink, reading 'Jennifer Johnson-Hanks'.

Jennifer Johnson-Hanks  
Professor of Demography and Sociology  
Chair, Berkeley Division of the Academic Senate

Enclosure

cc: Ronald Cohen, Vice Chair, Berkeley Division of the Academic Senate  
Dennis Levi, Chair, Committee on Research  
Jocelyn Surla Banaria, Executive Director, Berkeley Division of the Academic Senate  
Deborah Dobin, Senate Analyst, Committee on Research



April 28, 2021

PROFESSOR JENNIFER JOHNSON-HANKS  
Chair, Berkeley Division of the Academic Senate

*Re: COR comments on proposed Presidential Policy on Classification of Gifts  
and Sponsored Awards*

At its April 21<sup>st</sup> meeting, COR reviewed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards. The committee thought that the policy was reasonable, well written, and clear, and especially appreciated the inclusion of the FAQs and decision tree. COR endorses the policy.

The committee was pleased to see that the policy defers to the use of judgement when interpreting the classification guidelines. COR recommends also including a clear statement about the independence of each campus to determine gift fees and indirect costs.

Thank you for asking COR to review this policy.

With best regards,

A handwritten signature in blue ink that reads 'Dennis M. Levi'.

Dennis Levi, Chair  
Committee on Research



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May 19, 2021

**Mary Gauvain**  
Chair, Academic Council

**RE:** Proposed Presidential Policy on Classification of Gifts and Sponsored Awards

Dear Mary,

The proposed Presidential Policy on Classification of Gifts and Sponsored Awards was forwarded to all standing committees of the Davis Division of the Academic Senate. Two committees responded: Planning and Budget (CPB) and Research (COR).

Both committees support the proposed policy and think it will be useful guidance. COR notes that there is no mention of what opportunities principal investigators have for input in decision processes. CPB recommends that language be added to "require documentation in cases where there are disputes or conflicts over classification. This documentation could later be referred to in similar cases and could help promote consistent application of policy." Likewise, CPB notes that, at some future point, a post-implementation assessment should be conducted to evaluate how funding is being classified (i.e., "gifts" and "sponsored awards").

The Davis Division appreciates the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Tucker", is written over a light blue horizontal line.

Richard P. Tucker, Ph.D.  
Chair, Davis Division of the Academic Senate  
University of California, Davis

Enclosed: Davis Division Committee Responses

c: Hilary Baxter, Executive Director, Systemwide Academic Senate  
Michael LaBriola, Assistant Director, Systemwide Academic Senate  
Edwin M. Arevalo, Executive Director, Davis Division of the Academic Senate

May 3, 2021

**Richard Tucker**

Chair, Davis Division of the Academic Senate

**RE: Proposed Presidential Policy on Classification of Gifts and Sponsored Awards**

The Committee on Planning and Budget (CPB) has reviewed and discussed the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards. CPB supports the proposed policy and views it as an important update given the University's increased reliance on gifts and sponsored awards to address declining state support. The proposed policy outlines the differences between gifts and sponsored awards and clarifies the process by which they are classified. Defining this process, as well as who has decision-making authority to determine whether funding is a gift or sponsored award, is critical for stewardship, accounting, and compliance purposes.

In addition to supporting the proposed policy, CPB strongly recommends that language be added to the policy to require documentation in cases where there are disputes or conflicts over classification. This documentation could later be referred to in similar cases and could help promote consistent application of policy. CPB also views it important that a later assessment be conducted that evaluates the impacts of this policy on the extent to which funding has been classified as "gifts" and "sponsored awards" following its implementation.

CPB appreciates the opportunity to comment.

May 6, 2021

Richard Tucker, Chair  
Davis Division of the Academic Senate

RE: Proposed Presidential Policy on Classification of Gifts and Sponsored Awards

Dear Professor Tucker,

The Committee on Research reviewed and discussed the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards. Generally the committee felt this is a well-written detailed outline of how to differentiate gifts vs. grants and will be very useful for guidance; however, the one aspect that remains unanswered is who makes this determination, Sponsored Programs or Development, and what opportunity is afforded to the investigator for input in this process.

One other need for clarification is that on page 6 the document states, "University employees must not participate in attempts to avoid Indirect Costs or Gift Fees by mischaracterizing the Support." This statement does not seem to include students who are not directly employed by the University -- was that intended? Later on page 7 it states "This Policy applies to University faculty, staff, and students that have responsibility to receive and administer external Support." which seems more inclusive.

Regards,

Cynthia Schumann, Chair  
Committee on Research



May 10, 2021


Mary Gauvain, Chair  
Academic Council

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

Dear Chair Gauvain,

The Irvine Division has discussed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards. Members agreed with the assessments on the policy shared by the Council on Research, Computing, and Libraries and the Council on Planning and Budget. The memos from those Councils are enclosed here for your review.

Sincerely,



Jeffrey Barrett, Chair  
Academic Senate, Irvine Division

Encl: CORCL & CPB memos

Cc: Joanna Ho, Chair Elect-Secretary  
Kate Brigman, Executive Director  
Gina Anzivino, Associate Director



April 19, 2021

**JEFFREY BARRETT, CHAIR**  
**ACADEMIC SENATE, IRVINE DIVISION**

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

At its March 31, 2021 meeting, the Council on Planning and Budget (CPB) discussed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

This policy describes the distinctions and appropriate classification of gifts and sponsored awards to ensure that external support directed to the University receives the appropriate acknowledgement, stewardship, accounting, compliance review, administrative oversight, and monitoring.

Overall, the Council found that the proposed revisions are an appropriate update to existing policy. However, the Council observed a number of clarifications that should be considered to avoid misapplication of the policy:

- The policy text would benefit from a more algorithmic, decision-tree style. The Appendix provides such a rubric, but has the counterproductive disclaimer, “However, this checklist is not intended as a substitute for the judgment of University employees.” Taken together, this language provides the university administration with cover to do as they please especially given that the policy does not obligate anything.
- II. Definitions/Contracts, it is unclear if a Contract is a type of Sponsored Award, or if a Contract is its own animal. The document mostly discusses Gifts and Sponsored Awards, but clarification of this point would be an improvement.
- III. Policy Text, paragraph 2, the policy indicates, “All projects determined to be Sponsored Awards must be processed...” it is unclear who determines whether a project is a Sponsored Award.
- III. Policy Text, paragraph 4, members noted that the policy does not provide a rationale for the delineation of Gifts vs. Sponsored Awards. The Council questioned how transparency is served by calling something a “gift” in public but considering it a “grant” in private, or vice versa.
- III. Policy Text, paragraph 5:
  - use of the language “in general” is vague.
  - The second bullet point, “The support furthers the University’s mission” doesn’t appear to distinguish between a gift and a sponsored award.
  - The policy is unclear in its use of “should” and “should always.” If the latter is intended as a more emphatic or stringent use of the former while still retaining the principle that the determination is not dependent on any single criterion perhaps “shall” would be better.
- III. Policy Text, final paragraph: replace should with will, must or shall in “...responsible offices should obtain and consider...”
- IV. Compliance and Responsibilities, C. Exceptions, there should be language that addresses under what circumstances such exceptions may be granted.
- VII. FAQs, question 7, the use of the term “typically” is vague.



The Council appreciates the opportunity to comment.

On behalf of the Council,

A handwritten signature in black ink that reads "Donald Felt Senear". The script is cursive and fluid, with the first name "Donald" being the most prominent.

Don Senear, Chair

CC: Kate Brigman, Executive Director, Academic Senate  
Gina Anzivino, Associate Director, Academic Senate  
Michelle Chen, CPB Analyst

May 3, 2021

**JEFFREY BARRETT, CHAIR**  
**ACADEMIC SENATE, IRVINE DIVISION**

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

At its April 15, 2021 meeting, the Council on Research, Computing, and Libraries (CORCL) discussed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

The policy outlines the process through which external support should be characterized as a *gift* or *sponsored award*. It replaces the UC Policy on Review of Gifts and Grants for Research adopted in 1980. Substantively, the policy (i) describes the process through which clarifications should be made; (ii) identifies the criteria that should be considered in characterizing external support, and (iii) describes the manner in which such criteria are to be weighted and considered.

The Council applauds the effort to provide additional guidance on the process and substantive criteria for characterizing external support. The existing 1980 policy provides limited guidance as to implementation. There were no objections to the criteria identified, and the general process outlined in the policy—in terms of the parties involved and the hierarchical decision-making process to be applied in cases where the result is unclear—seems reasonable. However, the Council is concerned by the policy’s inconsistent stance on whether the criteria are to be considered in a balancing test or whether certain criteria are individually determinative.

The Council’s first concern is that the policy contains inconsistent advice regarding whether any single criterion will determine the proper characterization of support or whether all criteria must be considered together in a balancing test. Section III. Policy Text provides,

*“The decision as to whether Support should be considered a Gift or a Sponsored Award should not be made based upon the presence or absence of a single characteristic or criterion.”*

This idea of a balancing test is further supported in Section V. Policy Implementation, which provides that the treatment of external support as a gift or sponsored award will depend on the “preponderance of information.” However, only a few paragraphs below the quote above from the Policy Text, the policy states,

*“Support should **always** be classified as Sponsored Awards when the following characteristics exist: Testing or evaluating of proprietary materials (including software) provided by or on behalf of the Funder is involved; or University intellectual property rights are requested by Funder.”*

This confusion is only worsened by FAQ #3, which states,

*“This revised Policy recognizes that certain factors should be given more weight than others. For example, providing intellectual property rights to a Funder indicates that Support should be classified as a Sponsored Award—even if all other factors might suggest a Gift.”*

This characterization of the policy is inaccurate in two ways. First, the policy does not provide any guidance as to the relative weight of different criteria. Second, by indicating that intellectual property rights are a disqualifying



characteristic, the policy is not simply weighting criteria differently; rather, it is making some criteria individually determinative.

The question of which criteria, if any, are determinative regardless of the presence or absence of other indicia is further confused by the appended checklist. That checklist indicates that the presence of any of the following circumstances mandates the designation of the external support as a sponsored award: the funder is a federal, state, or local government; the funder is “primarily” a foreign government; the funder expects intellectual property rights; or the funder requires project specific deliverables. Likewise, the checklist indicates that support “intended for endowment” is to be classified as a gift. The checklist thus indicates that these criteria are determinative and are not simply individual criteria to be considered as a part of a larger balancing test.

The Council’s second concern is the limited treatment of the issue of indemnification of funders. FAQ #10 notes that the University’s ability to provide such indemnification will depend, in part, on the classification of the external support. The issue should perhaps be outlined in a more definitive manner within the text of the policy itself.

The Council also noted typographical errors in the appended checklist. The appended checklist provides that,

*“If you answered ‘Yes’ to any question in sections 1 & 2, the determination of Gift vs. Sponsored Award should be clear.”*

This sentence is intended to refer to question sections I and II (which are substantively problematic for the reasons noted above). Section 1 directs those implementing the policy to obtain relevant documents; it does not include any yes or no questions.

The Council appreciates the opportunity to comment.

On behalf of the Council,

A handwritten signature in black ink, appearing to read 'Michele Guindani', with a stylized flourish at the end.

Michele Guindani, Chair

CC: Kate Brigman, Executive Director, Academic Senate  
Gina Anzivino, Associate Director, Academic Senate  
Michelle Chen, CPB Analyst  
Brandon Haskey-Valerius, Senate Analyst

May 14, 2021

Mary Gauvain  
Chair, UC Academic Senate

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

Dear Chair Gauvain,

The Divisional Executive Board, councils, and committees appreciated the opportunity to review the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards. The Executive Board reviewed the proposal and divisional committee feedback at its meeting on May 13, 2021. Members appreciated the good intent of this written policy. Some members noted their appreciation for the attempt to enhance precision and transparency and for addressing complex topics such as crowd-sourcing and conditions of awards from foundations. Others questioned the inclusion of an exception clause that allows the whole policy to be undone with a chancellor's approval. Overall, members concluded that the quality of the actual proposal did not meet its aspiration. Members voted unanimously to oppose the proposal as written because it lacked the needed clarity. We welcome an opportunity to review a future revision.

Sincerely,



Shane White  
Chair  
UCLA Academic Senate

Encl.

Cc: Jody Kreiman, Vice Chair/Chair Elect, UCLA Academic Senate  
Michael Meranze, Immediate Past Chair, UCLA Academic Senate  
April de Stefano, Executive Director, UCLA Academic Senate

May 4, 2021

Shane White, Chair  
Academic Senate

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

Dear Chair White,

At its meeting on April 28, 2021, the Faculty Welfare Committee discussed the Proposal for Presidential Policy on Classification of Gifts and Sponsored Awards. Committee members offered the following comments.

The policy is intended to better define gifts and sponsored awards and clarifies the distinction between the two. Members found that this policy is timely and meets current needs, given that the existing policy was adopted four decades ago in 1980 and there has been a significant increase in external support. Members also think that the policy is clearly stated, and the examples in the FAQ section are relevant and helpful, especially for the purpose of funds from foundations. This policy is important and the committee supports it.

If you have any questions, please contact us via the Faculty Welfare Committee's interim analyst, Elizabeth Feller, at [efeller@senate.ucla.edu](mailto:efeller@senate.ucla.edu).

Sincerely,

Huiying Li, Chair  
Faculty Welfare Committee

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, Interim Analyst, Faculty Welfare Committee  
Members of the Faculty Welfare Committee

April 30, 2021

Shane White, Chair  
Academic Senate

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

Dear Chair White,

At its meeting on April 12, 2021, the Council on Planning and Budget (CPB) had an opportunity to review and discuss the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

Members observed that this policy is a good opportunity for the university to clearly articulate its policies to external entities. Small differences on the use of terms may have important consequences on how gifts or sponsored awards are classified. In addition, members noted that section IV.C., *Exceptions to the Policy*, provides the chancellor(s) with the power to grant exceptions, which may undermine the consistency of policy in actual practice. Finally, members expressed appreciation for the clarification on the issue of crowd-sourcing.

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

Sincerely,



Tim Groeling, Chair  
Council on Planning and Budget

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 Planning and Budget  
Members of the Council on Planning and Budget



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



OFFICE OF THE ACADEMIC SENATE, MERCED DIVISION  
ROBIN DELUGAN, CHAIR, DIVISIONAL COUNCIL

UNIVERSITY OF CALIFORNIA, MERCED

**May 5, 2021**

**To: Mary Gauvain, Chair, Academic Council**

**Re: [Presidential Policy on Classification of Gifts and Sponsored Awards](#)**

Dear Chair Gauvain,

The proposed Presidential Policy on Classification of Gifts and Sponsored Awards was distributed for comment to the Merced Division Senate Committees and the School Executive Committees. The following committees offered several comments for consideration. Their comments are appended to this memo.

- Committee on Research (CoR)
- Committee on Academic Planning and Resource Allocation (CAPRA)
- Graduate Council (GC)

CoR inquired whether questions 2.a and 2.6 on page 13 are in conflict. Specifically, what if the “Support” is provided by a foreign government *and* intended for endowment? Should the Support be classified as sponsored award or gift?

CAPRA had no objections to the proposed policy and noted that it is a more explicit codification of current practice. CAPRA did observe that the proposed policy enumerates a series of criteria for determining whether something is classified as a gift or a sponsored project/award. Gifts/Awards can have characteristics of both, so making the determination is something of a judgement call. The only exceptions are if an award involves assignment of intellectual property rights or involves testing or evaluating proprietary materials of the Funder, then it must be classified as a Sponsored Award.

GC endorsed the proposed policy as it effectively clarifies the distinction between gifts and sponsored awards. The committee found the FAQ section particularly helpful in dispelling any misguided perceptions about how gifts and sponsored awards are classified and processed. GC believed this clarification is beneficial for the management of graduate student fellowships and research assistantships. GC did register its concern with the apparent lack of consultation with the Senate prior to

distribution of this draft policy for Senate review.

Divisional Council reviewed the committees' comments via email and supports their various points and suggestions.

We thank you for the opportunity to comment on this proposed policy.

Sincerely,

A handwritten signature in cursive script, reading "Robin M. DeLugan".

Robin DeLugan  
Chair, Divisional Council  
UC Merced

Cc: DivCo Members  
Hilary Baxter, Systemwide Senate Executive Director  
Michael LaBriola, Systemwide Senate Assistant Director  
UCM Senate Office

Encl. (3)

# UNIVERSITY OF CALIFORNIA, MERCED

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ACADEMIC SENATE, MERCED DIVISION  
COMMITTEE ON RESEARCH  
KARA MCCLOSKEY, CHAIR  
kmccloskey@ucmerced.edu

UNIVERSITY OF CALIFORNIA, MERCED  
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MERCED, CA 95343

**April 12, 2021**

**To:** Robin DeLugan, Chair, Division Council

**From:** Kara McCloskey, Chair, Committee on Research (COR)

A handwritten signature in black ink, appearing to read "Kara McCloskey".

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

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CoR reviewed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards. We offer the below comments:

On Page 13, do the questions 2.a and 2.6 have any conflict? What if the Support is provided by a foreign government AND intended for endowment? Should be the Support classified as sponsored award or gift? CoR believes this section would benefit from clarification.

We appreciate the opportunity to opine.

cc: Senate Office

# UNIVERSITY OF CALIFORNIA, MERCED

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SANTA BARBARA • SANTA CRUZ

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ACADEMIC SENATE, MERCED DIVISION  
COMMITTEE ON ACADEMIC PLANNING AND RESOURCE ALLOCATION  
PATTI LIWANG, CHAIR  
pliwang@ucmerced.edu

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5200 NORTH LAKE ROAD  
MERCED, CA 95343

**March 31, 2021**

**To:** Robin DeLugan, Chair, Division Council

**From:** Patricia LiWang, Chair, Committee on Academic Planning and Resource Allocation  
(CAPRA)

A handwritten signature in blue ink, reading "Patricia LiWang".

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

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At its March 29 meeting, CAPRA reviewed the proposed Presidential Policy of Classification of Gifts and Sponsored Awards. We offer the below comments.

The proposed policy enumerates a series of criteria for determining whether something is classified as a gift or a sponsored project/award. Gifts/Awards can have characteristics of both, so making the determination is something of a judgement call. The only exceptions are if an award involves assignment of intellectual property rights or involves testing or evaluating proprietary materials of the Funder, then it must be classified as a Sponsored Award.

The language appears unremarkable and is mostly a more explicit codification of current practice. CAPRA has no objections to the proposed policy.

We appreciate the opportunity to opine.

cc: Senate Office

# UNIVERSITY OF CALIFORNIA, MERCED

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SANTA BARBARA • SANTA CRUZ

OFFICE OF THE ACADEMIC SENATE  
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5200 NORTH LAKE ROAD  
MERCED, CA 95343

**MARCH 24, 2021**

**TO: ROBIN DELUGAN, CHAIR, DIVISIONAL COUNCIL**

**FROM: HRANT HRATCHIAN, CHAIR, GRADUATE COUNCIL**

**RE: PRESIDENTIAL POLICY ON CLASSIFICATION OF GIFTS AND SPONSORED AWARDS**

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Graduate Council (GC) has reviewed the [proposed Presidential Policy on Classification of Gifts and Sponsored Awards](#), which will replace the [UC Policy on Review of Gifts and Grants for Research](#). GC found the proposed policy to effectively clarify the distinction between gifts and sponsored awards. The FAQ section is particularly helpful in dispelling any misguided perceptions about how gifts and sponsored awards are classified and processed. GC believes this clarification is beneficial for the management of graduate student fellowships and research assistantships.

At the same time, GC would note its concern with the apparent lack of consultation with the Senate prior to the distribution of this draft policy for Senate review. Nevertheless, GC is pleased to endorse the proposed policy.

Graduate Council appreciates the opportunity to opine.

CC: Graduate Council  
Senate Office



CHAIR, ACADEMIC SENATE  
RIVERSIDE DIVISION  
UNIVERSITY OFFICE BUILDING, RM 225

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May 12, 2021

Mary Gauvain, Chair, Academic Council  
1111 Franklin Street, 12th Floor  
Oakland, CA 94607-5200

**RE: (Systemwide Review) Proposed Presidential Policy on Classification of Gifts and Sponsored Awards**

Dear Mary,

I attach the consultative feedback provided by the Committee on Planning & Budget and the Committee on Research of the Riverside Division of the Academic Senate regarding the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards. This item was on the Divisional Executive Council May 10, 2021 agenda and members had no additional comments.

Sincerely yours,

*Jason Stajich*

Professor of Bioinformatics and Chair of the Riverside Division

CC: Hilary Baxter, Executive Director of the Academic Senate  
Cherysa Cortez, Executive Director of UCR Academic Senate Office



## *Academic Senate*

April 7, 2021

To: Jason Stajich, Chair  
Riverside Division

From: Hai Che, Chair  
Committee on Research

Re: 20-21. SR. **Proposed Presidential Policy on Classification of Gifts and Sponsored Awards**


The committee reviewed the proposed policy on Classification of Gifts and Sponsored Awarded and suggested improving communication.



**PLANNING & BUDGET**

April 13, 2021

To: Jason Stajich, Chair  
Riverside Division

From: Katherine Kinney, Chair   
Committee on Planning and Budget

**RE: [Systemwide Review] Proposed Policy: Proposed Presidential Policy on  
Classification of Gifts and Sponsored Awards**

Planning & Budget discussed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards at their April 13, 2021 meeting. The committee had no objections to the proposed policy.



May 19, 2020

To: Mary Gauvain, Chair  
Academic Senate

From: Susannah Scott, Chair  
Santa Barbara Division 

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

The Santa Barbara Division distributed the proposed Proposed Presidential Policy on Classification of Gifts and Sponsored Award to the Council on Planning and Budget (CPB), the Committee on Research Policies and Procedures (CRPP), and the Committee on Library, Information, and Instructional Resources (CLIIR). CLIIR opted not to opine.

CPB welcomes the University initiative to update this policy, particularly since there has been a substantial increase in the past decade in both the number of grants to the university and the diversity of foundations making grants, especially from private foundations and individuals. Members find the criteria and decision process for classifying money as gifts or sponsored awards to be clearly laid out. In particular, they expect that the specification of weighting criteria will be useful in cases in which grants may have characteristics of both gift and sponsored awards.

The Council recognizes the clear statement that a foundation's or individual's policy toward indirect costs should not be a consideration for determining the classification of an award as a gift or sponsored award. This distinction is clear, but CPB notes that there is some contention on campus regarding whether campuses should expect private foundation grants to include indirect cost levels comparable to negotiated government rates. The proposed policy does not provide useful guidance on this issue.

CRPP is supportive of the draft in its current form. The committee commends the expanded toolkit for campuses to determine the best classification to serve the needs of both funders and the respective campus.

We thank you for the opportunity to comment.

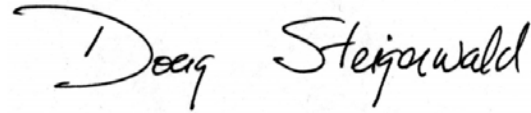
UNIVERSITY OF CALIFORNIA  
**ACADEMIC SENATE**  
**SANTA BARBARA DIVISION**  
Council on Planning & Budget

April 7, 2021

To: Susannah Scott, Divisional Chair  
UCSB Academic Senate

From: Douglas Steigerwald, Chair  
Council on Planning & Budget

Re: Revised UC Policy - Classification of Gifts & Sponsored Awards



The Council on Planning & Budget (CPB) has reviewed the proposed revised Policy on the Classification of Gifts & Sponsored Awards. The aim of the changes to the Presidential Policy is to update and provide greater clarity for properly classifying private support in contemporary circumstances. The revision also includes definitions, FAQs, and a checklist with weighted criteria. The inclusion of guidance on which criteria should be weighted more than others is a new addition to this update. The last time the policy was revised was in 2012.


CPB welcomes the University initiative to update this policy, particularly since there has been a substantial increase in the past decade in both the number of grants to the university and the diversity of foundations making grants, especially from private foundations and individuals. The criteria and decision process for classifying money as gifts or sponsored awards were clearly laid out. In particular, the specification of which criteria should be weighed more than others will be useful in cases in which grants may have characteristics of both gift and sponsored award.

One aspect of the revised policy noted by CPB was the clear statement that a foundation's or individual's policy toward indirect costs should not be a consideration for determining the classification of an award as a gift or sponsored award. This distinction is clear, but CPB noted that there is some contention on campus regarding whether campuses should expect private foundations grants to include indirect cost levels comparable to negotiated government rates, but this document does not provide guidance on this issue which would be useful.

cc: Shasta Delp, Academic Senate Executive Director

May 12, 2021

To: Susannah Scott, Divisional Chair  
Academic Senate

From: Forrest Brewer, Chair   
Committee on Research Policy and Procedures

**Re: Classification of Gifts and Sponsored Awards Policy Draft**

The Committee on Research Policy and Procedures (CRPP) reviewed this policy at its meeting of April 16, 2021 and invited comments from Vice Chancellor for Research Joe Incandela (Ex Officio) as well as Assistant Vice Chancellor for Research Jean Jones. Based on their feedback that the Office of Research does not perceive negative impacts as a result of this policy, the committee is supportive of the draft in its current form. The committee commends the expanded toolkit for campuses to determine the best classification to serve the needs of both funders and the respective campus.

CC: Shasta Delp, Executive Director, Academic Senate



OFFICE OF THE ACADEMIC SENATE

9500 GILMAN DRIVE  
LA JOLLA, CALIFORNIA 92093-0002  
TELEPHONE: (858) 534-3640  
FAX: (858) 534-4528

May 14, 2021

Professor Mary Gauvain  
Chair, Academic Senate  
University of California  
VIA EMAIL

Re: Divisional Review of Proposed UC Policy on Classification of Gifts and Sponsored Awards

Dear Professor Gauvain,

The UC Policy on Classification of Gifts and Sponsored Awards proposal was distributed to San Diego Divisional Senate standing committees and discussed at the May 10, 2021 Divisional Senate Council meeting. Senate Council endorsed the proposal.

Council did, however, provide some comments for consideration. Due to the increase in external support, particularly from corporations and private foundations, it was suggested that the source of such funds should be verified to ensure that they are not violating UC principles (i.e. banned or "frowned upon" sources related to the tobacco industry, exploitation of human labor, or discriminatory practices). The eligibility of sources becomes even more important if from a foreign country. While the policy allows for flexibility, it is unclear who determines the amount of indirect costs for Sponsored Awards, what criteria should be used to determine those amounts, and what the policies are if the faculty received the gift while previously at another institution. It was suggested that a category classified as "research gifts" would be beneficial to add to the policy, which could provide valuable flexibility for industry-academia partnerships, as well as release some of the tension caused when donors and members of the campus try to manage the dichotomy between gifts and sponsored awards.

The responses from the Divisional Committee on Faculty Welfare, Committee on Planning and Budget, and Committee on Research are attached.

Sincerely,

A handwritten signature in black ink, reading "Steven Constable".

Steven Constable  
Chair  
San Diego Divisional Academic Senate

Attachments

cc: Tara Javidi, Vice Chair, San Diego Divisional Academic Senate  
Ray Rodriguez, Director, San Diego Divisional Academic Senate  
Hilary Baxter, Executive Director, UC Systemwide Academic Senate

April 30, 2021

STEVEN CONSTABLE, CHAIR  
Academic Senate, San Diego Division

SUBJECT: UC Policy on Gifts and Sponsored Awards

The CFW reviewed the UC Policy on Gifts and Sponsored Awards at its April meeting. The CFW had no objections to the proposed policy. This systemwide consideration of these policies is well-timed, given the last review was instituted four decades ago (July 8, 1980). The topic itself is straight forward, and the different sections, particularly the FAQ are quite relevant and helpful in clarifying different facets of the problem. The section at the end, presented in the form of a questionnaire, assisting one to clarify whether a certain fund is a gift or a sponsored award, is rather effective. The CFW had a few relatively minor questions/issues:

1. Given that one of the rationales for the need of this new review is (as stated in Pg. 8 of 15), the *“significant increase in external support – especially from private foundations (including family foundations) and from corporations”*, there should be some effort to clarify the nature of the source of such funds, and whether they are compatible with the principles that UC abides by. Particularly, some effort should be spent by some responsible party within the UC to ensure that these sources are not those violating UC principles i.e. banned by or “frowned upon” by the UC system such as tobacco-related, exploitation of human labor, discriminatory practices (based on various Title IX parameters), and of emergent concern, fossil fuel sources having tangible impact on the climate crisis. The document should clearly state which party within the UC system is responsible for investigating this issue, what standards will be required to meet the required criteria, and what steps will be taken if such criteria are met, partially met, or violated.
2. The above point becomes particularly important when the sources originate from foreign countries, where monitoring of the donor’s activity may not be as straight forward. What steps will be taken to monitor the eligibility of the sources when they originate in foreign countries?
3. Faculty often transit from other Universities/Institutions to the UC. What are the rules governing Indirect Costs that will be imposed on Gifts/Sponsored grants that a faculty originally received in another institution where such IDC’s might have been different? Just stating that the rates prevailing at UC will be imposed might possibly pose intractable problems for the incoming faculty. If the UC rates are much higher, the adjustments needed to accommodate it might be prohibitive for the faculty to even continue with the grant within the UC. The adjustments needed to meet the higher IDC rates within UC compared to e.g. the salaries may simply be prohibitive. Some statement that in such cases the IDC rates will be adjusted to the lower of the two institutions on a case by case basis should be included.
4. Most Gifts/Sponsored awards are very important to the career of the faculty member, particularly when moving from one institution to another. The UC should commit to helping the faculty member satisfy the infrastructure requirements asked by the granting body for continuation of the

UNIVERSITY OF CALIFORNIA – (Letterhead for interdepartmental use)

grant within the UC. Often, the UC's attitude, has been "just get us the grants, you can't expect us to make accommodations so that you can meaningfully carry out the work promised in your proposal." can be very detrimental to the progress of the research promised in the original proposal. The UC system should make a firm commitment to try its best to satisfy such infrastructure requirements so that the faculty member can successfully carry out the work within the UC.

Sincerely,

Shantanu Sinha, Chair  
Committee on Faculty Welfare

cc: T. Javidi

April 30, 2021

STEVEN CONSTABLE, CHAIR  
Academic Senate, San Diego Division

SUBJECT: UC Policy on Gifts and Sponsored Awards

The CPB reviewed the UC Proposed Policy on Gifts and Sponsored Awards at its April meeting. The committee endorsed the policy. The CPB supports the principle that the decision as to whether Support should be considered a Gift or a Sponsored Award should not be made based upon the presence or absence of a single characteristic or criterion but should be determined holistically. The CPB also understands that the policy sets the principle for the classification of Gifts and Sponsored Awards but the question of the criteria for accepting or declining Support is outside of the ambit of the policy. During the discussion, some of the questions raised include:

- While the policy allows for flexibility, it is unclear who determines the amount of indirect costs for Sponsored Awards and what criteria should be used to determine the rates.
- What would happen if the donor/sponsor is only willing to pay indirect costs that are below what the University considers as necessary?

Sincerely,

Kwai Ng, Chair  
Committee on Planning & Budget

cc: T. Javidi



March 24, 2021

**STEVEN CONSTABLE, Chair**  
**Academic Senate, San Diego Division**

SUBJECT: Review of Proposed Presidential Policy on Classification of Gifts and Sponsored Awards

The Committee on Research (COR) discussed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards at their March 15, 2021 meeting. The Committee endorsed the proposed policy, but opined that a category classified as “research gifts” would be beneficial to consider in future iterations or modifications to the Policy. Including such a category could provide valuable flexibility for industry-academia partnerships, as well as release some of the tension caused when donors and members of the campus try to manage the dichotomy between gifts and sponsored awards.

We thank you for the opportunity to comment on the proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

Sincerely yours,

Victor Ferreira, Chair  
Committee on Research

cc: G. Cauwenberghs  
T. Javidi  
J. Lucius  
R. Rodriguez

**Office of the Academic Senate**

500 Parnassus Ave, MUE 230  
San Francisco, CA 94143-0764  
Campus Box 0764  
tel: 415/514-2696

[academic.senate@ucsf.edu](mailto:academic.senate@ucsf.edu)  
<https://senate.ucsf.edu>

Sharmila Majumdar, PhD, Chair  
Steven Cheung, MD, Vice Chair  
Pamela Ling, MD, Secretary  
Jae Woo Lee, MD, Parliamentarian

May 19, 2021

Mary Gauvain, PhD  
Chair, Academic Council  
Systemwide Academic Senate  
University of California Office of the President  
1111 Franklin St., 12<sup>th</sup> Floor  
Oakland, CA 94607-5200

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

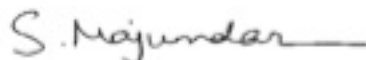
Dear Mary:

The San Francisco Division has reviewed the Proposed Presidential  
Policy on Classification of Gifts and Sponsored Awards.

Whether a project is classified as a gift or sponsored award can have  
material implications for the project administration.

The UCSF Committee on Research (COR) notes that the Office of  
Sponsored Research and the Development Office will work together to  
determine the appropriate classification in instances when the project's  
characteristics fall into both categories of gifts and sponsored awards. As  
the final determination will impact the project managed by the Principal  
Investigator, COR requests that the policy explicitly state that the Office  
of Sponsored Research and the Development Office would consult with  
the PI before classifying such an award in these instances.

Sincerely,



Sharmila Majumdar, PhD, 2019-21 Chair  
UCSF Academic Senate

Enclosures (1)

Cc: Marguerita Lightfoot, PhD, Chair, UCSF Committee on Research

May 18, 2021

Professor Sharmila Majumdar, PhD  
Chair, UCSF Academic Senate

RE: Proposed Presidential Policy on Classification of Gifts and Sponsored Awards

Dear Chair Majumdar,

We have reviewed the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

UCOP advises that “Though key concepts remain the same [...] the presentation and formatting changes from the previous UC policy on Review of Gifts and Grants for Research are extensive, we have not provided a redlined comparison.” This presents a challenge to reviewing the proposed policy for changes.

The proposed policy focuses on classification of gifts and sponsored awards.

- Funding classified as sponsored awards must go through the Office of Sponsored Research.
- Funding classified as gifts must go through the Development Office.

We are concerned about the following classification criterion for gifts: “While the area of work to be supported may be specified, there is no detailed scope of work, line-item budget, or period of performance specified by the Funder or promised by the University.” There are some projects that may be more appropriately classified as a gift even though there is in fact the existence of a detailed scope of work, line-item budget, or period of performance specified by the Funder or promised by the University.

We appreciate that the determination is based on all available information related to the funding and that the presence or absence of one factor may not be determinative. We note that if there is disagreement about how the funding should be classified, the Office of Sponsored Research and the Development Office will work together to resolve the disagreement. We are concerned with how these classifications would be made in such instances absent input from the Principal Investigator. Noting that the administrative units would work together to resolve the classification, we request the inclusion of faculty in the process.

Sincerely,

Marguerita Lightfoot, PhD  
Chair, Committee on Research  
UCSF Academic Senate  
2020-2021



UNIVERSITY COMMITTEE ON FACULTY WELFARE (UCFW)  
Shelley Halpain, Chair  
[Shalpain@ucsd.edu](mailto:Shalpain@ucsd.edu)

Assembly of the Academic Senate  
1111 Franklin Street, 12<sup>th</sup>  
Oakland, CA 94607-5200

May 19, 2021

**MARY GAUVAIN, CHAIR  
ACADEMIC COUNCIL**

**RE: Proposed Presidential Policy on Classification of Gifts and Sponsored Awards**

Dear Mary,

The University Committee on Faculty Welfare (UCFW) has reviewed the proposed Presidential Policy on Classification of Gifts and Sponsored Awards, and we have several comments. We recognize the necessity of updating this policy dating from the early 1980s, but better implementation guidelines are needed, although the FAQs are already considerable. How the gift factors are to be weighted should be clarified, as should the treatment of gift fees. Some members worry that too much campus flexibility could lead to disparate outcomes, and others raised concerns that purposes other than strict accounting could lead to shaming or bullying of donors or solicitors. We also note that alumni, retirees, and emeriti give generously, and better reporting on these gifts would benefit the University. Finally, pointing researchers to resources on Indirect Costs would improve the FAQs.

Thank you for your support.

Sincerely,

Shelley Halpain, UCFW Chair

Copy: UCFW  
Hilary Baxter, Executive Director, Academic Senate  
Robert Horwitz, Academic Council Vice Chair

May 14, 2021

Mary Gauvain  
Chair, UC Academic Senate

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

Dear Chair Gauvain,

The Divisional Executive Board, councils, and committees appreciated the opportunity to review the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards. The Executive Board reviewed the proposal and divisional committee feedback at its meeting on May 13, 2021. Members appreciated the good intent of this written policy. Some members noted their appreciation for the attempt to enhance precision and transparency and for addressing complex topics such as crowd-sourcing and conditions of awards from foundations. Others questioned the inclusion of an exception clause that allows the whole policy to be undone with a chancellor's approval. Overall, members concluded that the quality of the actual proposal did not meet its aspiration. Members voted unanimously to oppose the proposal as written because it lacked the needed clarity. We welcome an opportunity to review a future revision.

Sincerely,



Shane White  
Chair  
UCLA Academic Senate

Encl.

Cc: Jody Kreiman, Vice Chair/Chair Elect, UCLA Academic Senate  
Michael Meranze, Immediate Past Chair, UCLA Academic Senate  
April de Stefano, Executive Director, UCLA Academic Senate

May 4, 2021

Shane White, Chair  
Academic Senate

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

Dear Chair White,

At its meeting on April 28, 2021, the Faculty Welfare Committee discussed the Proposal for Presidential Policy on Classification of Gifts and Sponsored Awards. Committee members offered the following comments.

The policy is intended to better define gifts and sponsored awards and clarifies the distinction between the two. Members found that this policy is timely and meets current needs, given that the existing policy was adopted four decades ago in 1980 and there has been a significant increase in external support. Members also think that the policy is clearly stated, and the examples in the FAQ section are relevant and helpful, especially for the purpose of funds from foundations. This policy is important and the committee supports it.

If you have any questions, please contact us via the Faculty Welfare Committee's interim analyst, Elizabeth Feller, at [efeller@senate.ucla.edu](mailto:efeller@senate.ucla.edu).

Sincerely,

Huiying Li, Chair  
Faculty Welfare Committee

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, Interim Analyst, Faculty Welfare Committee  
Members of the Faculty Welfare Committee

April 30, 2021

Shane White, Chair  
Academic Senate

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

Dear Chair White,

At its meeting on April 12, 2021, the Council on Planning and Budget (CPB) had an opportunity to review and discuss the Proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

Members observed that this policy is a good opportunity for the university to clearly articulate its policies to external entities. Small differences on the use of terms may have important consequences on how gifts or sponsored awards are classified. In addition, members noted that section IV.C., *Exceptions to the Policy*, provides the chancellor(s) with the power to grant exceptions, which may undermine the consistency of policy in actual practice. Finally, members expressed appreciation for the clarification on the issue of crowd-sourcing.

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

Sincerely,



Tim Groeling, Chair  
Council on Planning and Budget

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 Planning and Budget  
Members of the Council on Planning and Budget

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



## **MODEL COMMUNICATION**

The University of California Office of the President invites comments on a proposed Presidential Policy on Classification of Gifts and Sponsored Awards.

The University has seen a significant increase in external support in the recent decade – especially from private foundations (including family foundations) and corporations. Though key concepts remain the same, the proposed policy provides greater clarity for properly classifying private support in contemporary circumstances. It also includes definitions, FAQs and a checklist with weighted criteria.

If you have any questions or if you wish to comment, please contact \_\_\_\_\_ at \_\_\_\_\_, no later than \_\_\_\_\_, 2021.

# Classification of Gifts and Sponsored Awards



<b>Responsible Officers:</b>	VP - Research & Innovation AVP - Institutional Advancement
<b>Responsible Offices:</b>	Research & Innovation Institutional Advancement
<b>Issuance Date:</b>	{to be inserted at time of issuance}
<b>Effective Date:</b>	{to be inserted at time of issuance to match above}
<b>Last Review Date:</b>	{to be inserted at time of issuance to match above}
<b>Scope:</b>	Faculty, Staff, and Students

<b>Contact:</b>	Heather Kopeck	Lourdes DeMattos
<b>Title:</b>	Director of Development Policy and Advancement Relations	Associate Director, Research Policy Analysis & Coordination
<b>Email:</b>	<a href="mailto:Heather.Kopeck@ucop.edu">Heather.Kopeck@ucop.edu</a>	<a href="mailto:Lourdes.DeMattos@ucop.edu">Lourdes.DeMattos@ucop.edu</a>
<b>Phone #:</b>	510-987-9180	510-987-9850

## I. POLICY SUMMARY

## II. DEFINITIONS

## III. POLICY TEXT

## IV. COMPLIANCE AND RESPONSIBILITIES

**V. POLICY IMPLEMENTATION**

**VI. RELATED INFORMATION**

**VII. FREQUENTLY ASKED QUESTIONS**

**VIII. REVISION HISTORY**

**IX. APPENDIX**

DRAFT

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## **I. POLICY SUMMARY**

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This Presidential Policy on Classification of Gifts and Sponsored Awards (Policy) describes the distinctions and appropriate classification of Gifts and Sponsored Awards to ensure that external support directed to the University receives the proper acknowledgement, stewardship, accounting, compliance review, administrative oversight, and monitoring. This Policy applies to all support received by University of California (University) that should be classified as a Gift or a Sponsored Award as defined below.

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## **II. DEFINITIONS**

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**Chief Executive.** The position with primary authority over a Location. In the University's context, this means a Location's President, its Chancellor, the Director of Lawrence Berkeley National Laboratory, or the Vice President-Agriculture and Natural Resources, or their designees.

**Contracts.** In general, contracts are agreements between two or more parties that create a legal obligation to perform a specific scope of work for the benefit of the funding party. Contracts define specific rights and obligations of the contracting parties with regard to matters such as research results and deliverables, publication rights, inventions, public dissemination of results, and liability.

**Development Office.** The Location office responsible for central fundraising, donor engagement, acceptance of Gifts, and partnering with others to help solicit private Sponsored Awards. This office may initiate prospective development and supports a Location's Gift stewardship and management.

**Funder.** The individual or entity providing monetary or other support to the University. This is a neutral term that may apply either to donors or sponsors. Donors are funders who provide Gifts. Sponsors are funders who provide Sponsored Awards.

**Gifts.** Gifts are voluntary contributions made to the University that are motivated by a donor's charitable intent, for which the donor receives no substantial return benefit and over which the donor does not retain control. Generally, funds received from individuals, donor-advised funds, and family foundations should be classified as gifts. Unexpended funds are not typically returned to the donor. Support may be treated as a gift even when the donor instructs the University as to the timing of expenditure of funds (e.g., an endowed fund) or use of the funds for a specific academic area or for specific academic purposes. Support for a capital project should typically be classified as a gift, unless the donor requires or expects certain return benefits (excluding naming rights). While terms for restricted gifts may specify particular activities and general budgets for those activities, they usually do not specify how the support is internally administered or require deliverables from the University beyond acknowledgement, summary narrative, and financial reporting to assure proper gift stewardship.

**Gift Fees.** Some Locations assess fees associated with Gifts. Such fees, which may be referred to by different names at the Locations, may be used to recoup some of the costs incurred in raising and administering gift support and/or for other purposes on the campus. Gift fees are distinct from Indirect Costs.

**Grants.** Grants are awarded to the University by federal and state agencies, local governments, foundations, associations, corporations, and other private entities to support the University's mission. In broad terms, they represent legal mechanisms used to transfer financial assistance to support a University program, and to achieve some general or specific purpose. Grants typically require the University to provide some sort of deliverable to the sponsor, such as a technical report.

**Indirect Costs.** Sometimes called overhead, facilities and administrative (F&A) costs, or shared expenses, indirect costs are costs incurred in the conduct of externally sponsored research that are not attributable to any single project, but are shared across a large number of projects, as well as other functions of the University. Examples of indirect costs include grant administrative services, lab operations and maintenance, depreciation and debt services taken on for new construction to provide researchers with modern facilities.

**Location.** A location is any University campus, the Lawrence Berkeley National Laboratory (LBNL), Medical Centers, the Office of the President (UCOP), and the Division of Agriculture and Natural Resources (ANR).

**Sponsored Awards.** This category includes all arrangements in which the University is providing a return benefit, or agrees to provide a defined deliverable to the sponsor or to complete a set of activities in exchange for Support. Award instruments for sponsored awards typically include Grants, Contracts, material transfer agreements, cooperative agreements, consortium agreements, and other agreements. While sponsored awards are typically made to support research, it is possible that Support for a purpose other than research may be classified as a sponsored award.

**Sponsored Projects Office.** The Location office(s) responsible for reviewing and authorizing proposals for submission and for interpreting, negotiating, and accepting/executing Sponsored Awards from governmental agencies (domestic and foreign), foundations, private industry, and other public and private sources.

**Support.** Monetary or other resources provided to the University from private or public Funders.

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### III. POLICY TEXT

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Each Location is responsible for reporting their Gifts and Sponsored Awards to UCOP. Each Location may, however, determine its own procedures for the processing/ acceptance/ administration of Support consistent with this Policy. Each Location is encouraged to employ practices that will facilitate the timely classification and processing of Support. When there is a question about the classification, offices at the Location involved in the classification process will work together to determine the appropriate classification. If necessary, the final authority regarding classification will be the Location's Chief Executive or a designee.

All projects determined to be Sponsored Awards must be processed through the Location's Sponsored Projects Office (or equivalent), as described in Section V of this Policy. Processing of Sponsored Awards includes the application of Indirect Costs in accordance with other applicable University policies.

Activities supported by a Funder that are classified as Gifts must be processed through the Development Office (or equivalent), as described in Section V of this Policy. The processing of Gifts does not include the application of Indirect Costs. Locations may assess Gift Fees at their discretion.

Judgment must be exercised to ensure that classification determinations are made in accordance with the intent of this Policy and in consideration of the criteria outlined below. In many situations, not all of the characteristics will be present. **The decision as to whether Support should be considered a Gift or a Sponsored Award should not be made based upon the presence or absence of a single characteristic or criterion.** Rather, one must consider all of the information associated with the Support to make a judgment as to its proper classification. Although the terms "gifts", "grants", and "grant awards" may be used interchangeably both in conversation and in the instruments providing the Support, such terminology does not determine the internal University classification nor treatment as either a Gift or Sponsored Award.

In general, Support should be classified as a Gift when the following characteristics exist:

- The Support is motivated by charitable intent
- The Support furthers the University's mission
- The Funder provides Support to the University without expectation of direct economic or other tangible benefit commensurate with the value of the Support
- Support is awarded irrevocably

- While the area of work to be supported may be specified, there is no detailed scope of work, line-item budget, or period of performance specified by the Funder or promised by the University.

In general, Support should be classified as a Sponsored Award when the following characteristics/requirements exist:

- The funded activity is directed to satisfying specific Funder requirements (e.g., terms and conditions originating from the Funder stating a precise scope of work to be done rather than a general area of research)
- The Funder requires specific reporting, such as a detailed technical report of research results or a line-item report of expenditures
- A specified period of performance is prescribed or termination is at the discretion of the Funder
- Support that remains unexpended at the end of the specified period must be returned to the Funder.

Support should always be classified as Sponsored Awards when the following characteristics exist:

- Testing or evaluating of proprietary materials (including software) provided by or on behalf of the Funder is involved; or
- University intellectual property rights are requested by Funder.

University employees must not participate in attempts to avoid Indirect Costs or Gift Fees by mischaracterizing the Support.

In determining the appropriate classification for Support, the Location's responsible offices should obtain and consider all of the relevant documentation, including solicitations, agreements, and any other information that relate to the same scope of work.

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## **IV. COMPLIANCE AND RESPONSIBILITIES**

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### **A. Policy Approval**

The President of the University is the Approver of this Policy and may consult with Institutional Advancement and Research Policy Analysis and Coordination (RPAC) units before approving revisions.

### **B. Policy Review**

Either of the University Provost or Senior Vice President (SVP) for External Relations has the authority to initiate a review of this Policy. Revision recommendations to the President should be made jointly by the University Provost and the SVP for External Relations.

### **C. Exceptions to the Policy**

Exceptions to the Policy may be granted by the Location's Chief Executive, or designee.

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## **V. POLICY IMPLEMENTATION**

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This Policy applies to University faculty, staff, and students that have responsibility to receive and administer external Support. Under this Policy, a Location's Development Office (or equivalent) will process as a Gift any agreement providing the Support where the preponderance of information indicates classification as a Gift; the Sponsored Projects Office (or equivalent) will process as a Sponsored Award any agreement providing Support where the preponderance of information indicates that classification. Where it is unclear whether Support should be classified as a Gift or a Sponsored Award, the Location's Development Office and Sponsored Projects Office, or their equivalents, will consult with each other to determine the appropriate classification, regardless of which unit initially received the Support. In the event that they cannot resolve the matter, it will be escalated to Location's Chief Executive.

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## **VI. RELATED INFORMATION**

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### **A. University Policy and Delegation of Authority References**

#### **1. Presidential Policies**

- a. [Disclosure of Financial Interests and Management of Conflicts of Interest in Private Sponsors of Research, Policy COI 700](#) (applies to Gifts and Sponsored Awards.)
- b. [Policy on Naming University Properties, Academic and Non-Academic Programs, and Facilities](#), 2012
- c. [Requirement to Submit Proposals and to Receive Awards for Grants and Contracts through the University](#)



2. [Regents Policy 5203 \(Policy on Support Groups, Campus Foundation and Alumni Associations\)](#)
  3. [Research Policies & Guidance](#)
  4. [Business and Finance Bulletins](#)
  5. [University Accounting Policies](#)
  6. [Delegation of Authority to Return Gifts, DA 2579, February 4, 2014](#)
- B. [GASB 33 \(Accounting and Financial Reporting for Nonexchange Transactions\)](#)
- C. [University Indemnification of Donors for Claims Unrelated to Donor Activity – March 6, 2003 Regents’ Item](#)
- D. [Approval of Indemnification Terms in Certain Limited Agreements in Support of Research – May 17, 2007 Regents’ Item](#) and the related [Delegation of Authority, September 19, 2009](#)
- E. [UCOP Institutional Advancement Development Reference Guide](#)

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## **VII. FREQUENTLY ASKED QUESTIONS**

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### **1. Why is the Policy being updated?**

Locations requested clarification of the existing policy, which was adopted in 1980 (1980 Policy). Specifically, in the decades since the adoption of the 1980 Policy, the University has seen a significant increase in external support – especially from private foundations (including family foundations) and from corporations. The increased activity has led to the need for greater clarity in properly classifying Support.

This revised Policy is intended to assist University staff in making consistent and timely decisions, and to help articulate to external parties (including Funders) the rationale for certain decisions. This Policy is not intended to mandate how Locations delegate various Sponsored Awards among centralized contracting offices.

### **2. Why doesn’t UC simply rely upon the terminology used in the Agreement with the Sponsor?**

While the Funder’s terminology of Support provided to the University (e.g., as a Gift or Sponsored Award) may reflect the Funder’s intent, it does not dictate how the University

should classify the Support. For example, corporations may classify Support as a “gift,” but require certain deliverables that make it difficult, if not impossible, for the University to classify and administer the Support as a Gift. Similarly, private foundations almost always use the term “grant” for all of their charitable distributions – including Support that would be classified as a Gift by the University.

**3. What are the major changes/differences between the current and the proposed (old and new) Policy?**

The 1980 Policy emphasized a review of specific factors that are often determinative of how Support should be classified. Although not specified, in practice, the factors were often considered to be of equal import. This revised Policy recognizes that certain factors should be given more weight than others. For example, providing intellectual property rights to a Funder indicates that Support should be classified as a Sponsored Award – even if all other factors might suggest a Gift. Conversely, the requirement for general reports in the absence of other Sponsored Award-like factors should not preclude classifying Support as a Gift. This takes into account the fact that, as “stewardship” practices have evolved, Funders often request progress reports, but that such reports do not constitute the kind of “deliverable” or benefit that would make an award a Sponsored Award.

**4. Does the fact that a Funder agrees or declines to pay for Indirect Costs determine whether Support should be classified a Gift or a Sponsored Award?**

No. Whether Support allows for or prohibits Indirect Costs does not affect the determination of whether it represent a Gift or a Sponsored Award. The classification of Support as a Gift or a Sponsored Award depends on the terms and conditions accompanying the Support.

**5. May Support be classified as a Gift to reduce Indirect Costs or as a Sponsored Award to reduce Gift Fees?**

No. University employees must not attempt to avoid Indirect Costs or Gift Fees by mischaracterizing the Support.

**6. Can Sponsored Awards be counted as private support?**

Yes, if the Funder is a private entity. Both Gifts and private grants (Sponsored Awards) are philanthropic, and both can be counted as private support. Support from governmental sources, however, cannot be counted as private support.

**7. What about qualified sponsorship payments?**

The University may receive Support from a private entity engaged in a trade or business in the form of a “qualified sponsorship payment.” As defined in Section 513(i) of the Internal Revenue Code, a qualified sponsorship payment is a payment for which there is no

arrangement or expectation of any substantial return benefit to the Funder, other than the use or acknowledgement of the Funder's (or its product lines') name or logo. Such payments are typically classified as Gifts, regardless of how the Funder may classify them for its own tax purposes.

**8. Is crowd-sourced Support treated as Gifts or Grants?**

Typically, crowd-sourced Support is considered a Gift. However, this Support should be reviewed on a project-by-project basis and processed in accordance with the factors set forth in this Policy and the Location's applicable policies and guidelines.

**9. What are some routine examples of factors that could appear in agreements that are irrelevant to the classification of the Support?**

- Non-allowance of Indirect Costs or administrative or Gift Fees
- Terminology: what the Support is called (e.g. "grant") or what the agreement is called (e.g., "contract")
- Legal language: prohibiting the use of Support for lobbying or electioneering; requiring mediation or arbitration; specifying applicable laws or courts of jurisdiction; or requiring confidentiality or non-disclosure.
- Indemnification or hold harmless provisions.

**10. Doesn't a Funder's request to be indemnified cause the Support to be classified as a Grant?**

No, but the University's ability to indemnify the Funder, and specifically for acts other than those of University officers, employees or agents (i.e., third party acts), will be handled differently depending on whether the Support is classified as a Gift or a Sponsored Award.

In the case of Gifts that will be funded with cash or marketable securities, the Regents have delegated to the President the ability to indemnify donors for third party liability when the donor does not have an active ongoing role that could give rise to donor liability. See Regents Item 1-EF, dated March 6, 2003, for more details. This authority was further delegated to the chancellors in Delegation of Authority 2631.

In the case of Sponsored Awards, the ability to accept indemnification terms is more limited. Under Standing Order 100.4(dd)(9), Regents' approval is required for agreements by which the University assumes liability for non-University entities. In 2007, the Regents delegated to the President the authority to accept indemnification provisions in certain research, training, or public service agreements with nonprofit or governmental entities, which the President has further delegated to the Director of Research Policy Analysis and Coordination (RPAC) at UCOP. However, this delegated authority permits acceptance of third party liability only under certain conditions. Indemnification provisions that exceed these conditions must still be approved by the Regents. See Regents Item F-4, dated May 17, 2007, for more details.

**11. Will the University incur a tax liability if it misclassifies Support from a Funder?**

The University is responsible for making a good-faith determination regarding the appropriate classification of the Support. As a general rule, the tax treatment of the Support provided is determined by, and is the responsibility of, the Funder.

**12. Can a Sponsored Award be made for a purpose other than research?**

Yes. While, as a general rule, most Sponsored Awards are made for research, it is possible that Support for another purpose should be classified as a Sponsored Award (e.g., public service or education projects).

**13. Does a requirement for reporting mean that the Support must be classified as a Sponsored Award?**

Not necessarily. A gift agreement may require, or best practices may suggest, that a University unit report on expended funds and balances as well as provide stewardship reports to the Funder that share evaluation information about the project, explain how the Gift was used and/or describe the impact of the Gift. Such requirements, including stipulations or limitations regarding press and/or public announcements, are not determinative of whether Support should be classified as a Sponsored Award.

**14. Can a revocable agreement/commitment still constitute a Gift?**

Yes. Although Support in the form of a Gift is typically considered irrevocable, initial documentation for a Gift may state that the donor's obligation is not deemed to be a binding, legal obligation on the donor. This is so because, increasingly, donors want utmost flexibility to satisfy some/all of a charitable commitment (most commonly referred to as a "pledge") through a donor-advised fund (DAF) or a family foundation. To ensure that such a pledge doesn't violate complex rules applicable to DAFs and private foundations, the initial commitment from a donor may be documented as a non-binding, revocable pledge. However, when the pledge is ultimately satisfied and Support is transferred to the University, the Support is considered to have been awarded irrevocably.

It should also be noted that the law applicable to charitable gifts provides that gift Support is restricted for the purpose specified by the donor, if any. Although rare, there are instances where circumstances change so that it becomes impossible or impracticable for the University to adhere to such restrictions. To account for such circumstances, some gift agreements may include language that provides for return of the Gift to the donor. As a technical matter, such a Gift might be interpreted as revocable. However, any such return of Support is addressed by applicable University policy, which sets forth a rationale and process for return of a Gift that complies with applicable law. See Regents Standing Order 100.4(v) and Delegation of Authority 2579.

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## **VII. REVISION HISTORY**

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This Policy replaces the one set forth in President Saxon’s letter to the Chancellors et al., of July 8, 1980, which was reformatted and added to presidential policies on July 1, 2012.

DRAFT

## **APPENDIX:**

### **GIFT vs. SPONSORED AWARD GUIDE**

This checklist may be helpful in distinguishing between Gifts and Sponsored Awards. It is intended only to serve as a reference in the event of questions. The questions and the checklist highlight general characteristics of these two Support categories. However, this checklist is not intended as a substitute for the judgment of University employees. **For additional information, please see Section V of the Policy on Classification of Gifts and Sponsored Awards under “Policy Implementation.”**

**1. Obtain all documentation associated with the Support, including all correspondence with the Funder directly related to the Support. This could include:**

- ☐ Correspondence requesting Support, such as a request letter or proposal
- ☐ Documents describing the activities to be supported and the intent/purpose of the Support
- ☐ Documents or communications that describe or define Funder’s expectations (e.g. funding document, agreement, or budget)

**2. Review documentation for indications that will help you to complete the questions below for determining if the Support should be considered a Sponsored Award or a Gift.**

#### **I. Funder Type**

- a. Is the Support provided by the federal, state, or local government?  
☐ Yes → SPONSORED AWARD\* ☐ No
- b. Is the Support provided or primarily funded by a foreign government?  
☐ Yes → SPONSORED AWARD\* ☐ No
- c. Is the Support intended for endowment?  
☐ Yes → GIFT\*\* ☐ No
- d. Is the Support provided by an individual (not an organization)?  
☐ Yes → MOST LIKELY A GIFT\*\* ☐ No

#### **II. Funder’s Expectations**

- a. Does the Funder expect intellectual property rights (e.g. licenses, copyrights, royalties)?  
☐ Yes → SPONSORED AWARD\* ☐ No
- b. Does the project involve testing or evaluating proprietary products provided by or on behalf of the Funder?

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☐ Yes → SPONSORED AWARD\* ☐ No

c. Is the Funder requiring project specific deliverables (e.g. equipment, records, detailed research report or results, study data)?

☐ Yes → SPONSORED AWARD\* ☐ No

If you answered “Yes” to any question in sections 1 & 2, the determination of Gift vs. Sponsored Award should be clear.

\*Contact your Sponsored Projects Office

\*\* Contact your Development Office

3. If there are remaining questions after completing questions 1 & 2 above, the following factors should be taken into consideration for determining whether the Support is a Gift or a Sponsored Award. Note that no one factor is determinative; rather, a preponderance of factors should help to indicate whether Support should be classified as a Gift or Sponsored Award.

A. Gift	B. Sponsored Award
<b>Research Focus/Scope of Work</b>	
<input type="checkbox"/> Broad research focus	<input type="checkbox"/> Detailed scope of work required
<b>Persons Performing Funded Activities</b>	
<input type="checkbox"/> Left to discretion of University, school, department or one or more named individuals	<input type="checkbox"/> Key personnel named in the proposal and changes must be pre-approved by the Funder
<b>Budget</b>	
<input type="checkbox"/> General project budget	<input type="checkbox"/> Detailed line item budget (e.g., detailing project costs by budget categories; listing personnel percentage of effort, etc.)
<input type="checkbox"/> No prior approval required for variance from proposed budget	<input type="checkbox"/> Requires Support to be spent in accordance with the proposed/approved budget, or requires prior approval for re-budgeting in excess of an established threshold
<b>Period of Performance</b>	
<input type="checkbox"/> Not specified, at the discretion of UC	<input type="checkbox"/> Project start and end dates specified by the Funder
<b>Financial Terms and Reporting</b>	
<input type="checkbox"/> Stewardship and general fiscal accountability and reporting to the Funder	<input type="checkbox"/> Detailed financial reporting (e.g. line item detail, percentages of effort, etc.)
<input type="checkbox"/> No specific audit requirements	<input type="checkbox"/> Right to perform or require a financial audit of fund expenditures

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<input type="checkbox"/> No terms and conditions for the disposition of tangible property.	<input type="checkbox"/> Terms and conditions for the disposition of tangible property (e.g., equipment, records, technical reports, theses, dissertations, or other deliverables)
<input type="checkbox"/> Future payments/ Support not contingent on technical reporting (note: progress toward goals provided in a stewardship report may still be appropriate for a Gift)	<input type="checkbox"/> Future payments/Support contingent on programmatic and fiscal reporting and/or progress
<input type="checkbox"/> Support is awarded irrevocably	<input type="checkbox"/> Unexpended Support to be returned at the end of the designated period
<input type="checkbox"/> The ability of the Funder to terminate the Support is limited.	<input type="checkbox"/> Funder has the ability to terminate the agreement and/or demand repayment if the specific project plans have not been implemented as agreed upon
<b>Narrative Reporting</b>	
<input type="checkbox"/> General description of progress, few or no specific requirements/guidelines	<input type="checkbox"/> Technical report requires details on scientific results or accomplishments and progress towards a specific project plan

4. A preponderance of checks in column A above likely indicates that the Support should be classified and administered as a Gift. A preponderance of checks in column B above likely indicates that the Support should be classified and administered as a Sponsored Award.
5. If, after reviewing question 3, it is still unclear whether Support should be classified as a Gift or Sponsored Award, campus determinations should be made in consultation with other relevant offices as described in Section V of the Policy on Classification of Gifts and Sponsored Awards under “Policy Implementation.”





OFFICE OF THE VICE PRESIDENT – RESEARCH AND INNOVATION

OFFICE OF THE PRESIDENT  
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March 1, 2021

CHANCELLORS  
ACADEMIC COUNCIL CHAIR GAUVAIN  
LABORATORY DIRECTOR WITHERELL  
ANR VICE PRESIDENT HUMISTON

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

Dear Colleagues:

Enclosed for systemwide review is the Presidential Policy on Classification of Gifts and Sponsored Awards. This policy is intended to replace the [UC Policy on Review of Gifts and Grants for Research](#).

The University has seen a significant increase in external support in the recent decade – especially from private foundations (including family foundations) and corporations. Though key concepts remain the same, the proposed policy provides greater clarity for properly classifying private support in contemporary circumstances. It also includes definitions, FAQs, and a checklist with weighted criteria. Please note that because the presentation and formatting changes from the previous UC policy on Review of Gifts and Grants for Research are extensive, we have not provided a redlined comparison.

This draft was prepared by a working group, consisting of UCOP representatives from the Research Policy Analysis & Coordination unit, UC Legal, and Institutional Advancement, as well as campus stakeholders, including UCI Assistant Vice Chancellor for Research Administration, UCB Assistant Vice Chancellor for Research, and UCSF Executive Director, Corporate and Foundation Relations. The policy also takes into consideration comments received from campus Sponsored Projects Offices, Development Offices, and Controllers.

### **Systemwide Review**

Systemwide review is a public review distributed to the Chancellors, the Chair of the Academic Council, the Director of the Lawrence Berkeley National Laboratory, and the Vice President of Agriculture and Natural Resources requesting that they inform the general University community, especially affected employees, about policy proposals. Systemwide review also includes a mandatory, 90-day full Senate review.

Employees should be afforded the opportunity to review and comment on the draft policy. Attached is a Model Communication which may be used to inform non-exclusively represented employees about these proposals. The Labor Relations Office at the Office of the President is responsible for informing the bargaining units representing union membership about policy proposals.

We would appreciate receiving your comments no later than **May 26, 2021**. Please submit your comments to Dragana Nikolajevic at [Dragana.Nikolajevic@ucop.edu](mailto:Dragana.Nikolajevic@ucop.edu). If you have any questions, please contact Ms. Nikolajevic.

Sincerely,



Theresa A. Maldonado, Ph.D., P.E.  
Vice President for Research & Innovation

Enclosures:

- 1) Presidential Policy [on Classification of Gifts and Sponsored Awards] (clean copy)
- 2) Model Communication

cc: President Drake

Provost and Executive Vice President Brown

Executive Vice Chancellors/Provosts

Executive Vice President and Chief Operating Officer Nava

Senior Vice President Bustamante

Vice President and Vice Provost Gullatt

Interim Vice President Lloyd

Vice Provost Carlson

Vice Provosts/Vice Chancellors of Academic Affairs/Personnel

Deputy General Counsel Woodall

Associate Vice Provost Lee

Assistant Vice Provosts/Assistant Vice Chancellors/Directors – Academic Personnel

Executive Director Baxter

Executive Director and Chief of Staff Henderson

Executive Director Silas

Chief of Staff and Chief Policy Advisor Kao

Chief of Staff Levintov

Chief of Staff Peterson

Director Grant

Director Sykes

Manager Crosson

Manager Smith

Analyst Durrin

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