

Office of the President

TO MEMBERS OF THE COMMITTEE ON EDUCATIONAL POLICY:

ACTION ITEM

For Meeting of March 19, 2014

AMENDMENT OF REGENTS POLICY 5201: POLICY ON FUNDRAISING CAMPAIGNS

EXECUTIVE SUMMARY

This item proposes amending Regents Policy 5201 to: (1) require endorsement by the Regents of certain fundraising campaigns instead of review and recommendation; (2) raise the threshold from \$50 million to \$250 million for the Regents' endorsement of any public phase of a fundraising campaign; and (3) rescind the provision requiring Regents' review and recommendation for any campaign involving the solicitation of real property or funds for the purchase of real property. The President of the University would continue to approve fundraising campaigns in accordance with Standing Order 100.4(k). The Regents would retain oversight of any capital projects associated with a fundraising campaign and would continue to receive the Annual Report on University Private Support. The proposed amendments would update the threshold in accordance with current economic and campaign norms, and would provide campuses with flexibility in the timing of public announcements of fundraising campaigns.

RECOMMENDATION

The President of the University recommends that the Committee on Educational Policy recommend to the Regents that Regents Policy 5201: Policy on Fundraising Campaigns be amended, as shown in Attachment 1 below.

BACKGROUND

Regents Policy 5201: Policy on Fundraising Campaigns (Policy) currently requires the Board of Regents to approve, upon recommendation of the Committee on Educational Policy, (1) any public phase of a fundraising campaign with a goal of \$50 million dollars or more and (2) any gift campaign that involves the solicitation of real property or funds for the purchase of real property.

In 1993, the Policy was amended to authorize the President of the University to approve the private or quiet phase of a fundraising campaign, e.g., those steps undertaken before the public announcement of a campaign, and reserved to the Regents approval for the public phase of campaigns over \$50 million. While the \$50 million trigger was appropriate at the time of

approval in 1993, today it is low and requires campuses and schools to come to the Board of Regents for fundraising campaigns that it would be appropriate for the President of the University to authorize. The proposed amendment would raise the threshold to \$250 million, thus ensuring that the Board is involved only with major campus fundraising campaigns but would not be responsible for the smaller campaigns conducted for narrowly defined purposes, such as endowments for faculty, graduate support, or renovation of facilities. The proposed amendment also would provide campuses with greater flexibility in the conduct of campaigns, including the timing and venue of the public launch of a campaign. A campus may opt to publicly reveal the details of its fundraising campaign at a campus event and seek endorsement by the Board of Regents at a later date. The Regents' endorsement would thus serve as clear, concise, and compelling support of campus fundraising efforts.

The President of the University would continue to ensure that fundraising campaigns for support of capital improvement projects shall be approved only if the project has been approved for inclusion in the Capital Improvement Program and the Regents would retain approval and oversight of any capital projects in accordance with Bylaw 12.4.

ATTACHMENT 1

Additions shown by underscoring; deletions shown by strikethrough

REGENTS POLICY 5201: POLICY ON FUNDRAISING CAMPAIGNS

1. Fundraising campaigns are defined as organized efforts to solicit gifts and grants for any University purpose from multiple private sources such as individuals, firms, corporations, groups, and/or foundations. This Policy applies to all forms of fundraising campaigns for the benefit of the University whether conducted by the University, Campus Foundations, University Support Groups, or individuals or organizations outside the University. The Policy does not apply to instances when family or friends of a deceased person announce that contributions may be sent to the University in lieu of other remembrances.
2. The President shall submit for ~~review and recommendation~~ endorsement by the Committee on Educational Policy any proposal:
 - a. for the public phase of a fundraising campaign with a goal of ~~\$50,000,000~~ (\$250,000,000) or more;
 - b. ~~for a campaign which involves the solicitation of real property or funds for the purchase of real property.~~
3. The President is authorized to approve all other fund-raising campaigns, including the initial phases of campaigns with goals of ~~\$50,000,000~~ \$250,000,000 or more, provided that fundraising campaigns for support of capital improvement projects shall be approved only if the project has been approved for inclusion in the Capital Improvement Program.
4. The conduct of all fundraising campaigns shall be subject to the following conditions:
 - a. All fundraising activities shall conform with established University programs and policies.
 - b. Fundraising activities shall not obligate the University to expend funds in excess of budgeted items.
 - c. A capital improvement project shall be subject to completion of the environmental review process in accordance with the California Environmental Quality Act and subsequent approval of the site and design of the project.