

UNIVERSITY OF CALIFORNIA
FINANCIAL AID GUIDELINES FOR COMPLIANCE WITH PROPOSITION 209

I. Definitions. For purposes of these Guidelines, the terms listed below shall have the following definitions:

1. "Preferential Financial Aid" means aid for which a student's race, gender, color, ethnicity, or national origin is a factor in determining whether he or she receives aid, the amount or terms of the aid, or the type of aid (loan vs. grant).

2. "Gift" includes grants, donations, contributions, distributions from trusts or other entities, bequests and all other charitable transfers.

3. "University" includes Campus Foundations and Recognized Campus Support Groups.

4. "Financial Aid" includes scholarships, fellowships, grants in aid, loans and other payments to students to assist them financially while at the University.

II. Administration of Preferential Financial Aid from State Funds or University Discretionary Funds.

State funds and/or University discretionary funds may not be used for preferential financial aid, unless the use of such funds is necessary to establish or maintain eligibility for any federal program, where ineligibility would result in a loss of federal funds to the University.

III. Solicitation, Acceptance, and Administration of Preferential Financial Aid Gifts Accepted before August 28, 1997.

University policy has not changed with regard to administration of preferential financial aid as required by the terms of gifts accepted before August 28, 1997, the effective date of Proposition 209; the University may continue to make all such awards according to the terms agreed upon at the time of their acceptance. New funds may not be solicited or accepted to augment any previously accepted gifts administered pursuant to this guideline.

IV. Solicitation or Acceptance of Preferential Financial Aid Gifts On or After August 28, 1997.

On or after August 28, 1997, the effective date of Proposition 209, the University shall not solicit or accept preferential financial aid gifts.

V. Solicitation, Acceptance, and/or Administration of Non-Preferential Financial Aid Gifts.

The University may continue to solicit, accept and/or administer non-preferential financial aid gifts and such aid may include gifts directed by the donor toward students from a race, gender, color, ethnicity, or national origin group so long as the terms of the gift permit such aid to be administered without any preference. In soliciting or accepting any such aid, the donor

must be informed and understand that the gift may not be administered as a preference, that any of the donor's funds directed to such student will simply replace other funds which the recipient would have received and will not result in that student receiving a larger award or an award on more favorable terms.

Non-preferential financial aid may include aid designed to promote academic values such as diversity so long as recipients are selected without regard to their race, gender, color, ethnicity, or national origin. As examples, financial aid might be solicited, accepted and awarded on a non-preferential basis to the following students: those who have demonstrated potential for leadership in promoting cross-cultural understanding; those who have an outstanding record of service dedicated toward helping educationally disadvantaged students; or those with a demonstrated academic interest in topics such as race, gender, and multiculturalism as they intersect with traditional academic fields.

VI. Assistance to Outside Agencies Soliciting and Administering Preferential Aid

A. Use of personal time

University officials may use personal time to raise and assist in the administration of financial aid funds on behalf of an outside agency whether or not the aid is preferential. Personal time may include the incidental use of University resources as permitted for other personal use.

B. Routine Assistance to Outside Agencies in Fundraising for Preferential Financial Aid

The University may provide routine assistance to outside agencies wishing to raise preferential financial aid funds provided that the assistance is of the same type routinely given to outside agencies seeking to assist the University in carrying out its mission. For example, University officials routinely use University resources to attend a variety of outside agency fundraising events where such events may benefit the University, its students, faculty and staff, and this may include events where preferential financial aid funds are raised. University officials should not, however, use official time or resources to initiate or plan an event the purpose of which is to raise such funds.

C. Routine Assistance to Outside Agencies in Administering Their Preferential Awards

The University may provide routine assistance to outside agencies wishing to administer preferential financial aid provided that the assistance is of the same type routinely given to outside agencies seeking to make an award. Agencies seeking to provide preferential aid may not be preferred over other agencies, i.e., such agencies must be treated in the same way as outside agencies generally. Any distinctions between agencies must be based on factors other than the preferential nature of the aid sought to be awarded. It is permissible, for example, to choose whether or not to assist agencies based on the level of workload the requested assistance would require. The following activities are examples of assistance which may be routinely given to all outside agencies.

1. Providing information to students, such as:

- Posting announcements;
 - Advertising competitions in brochures;
 - Providing applications in financial aid or other administrative offices; or
 - Sending informational materials to students meeting the scholarship program requirements.
2. Receiving and distributing funds, such as:
- Receiving a check made payable to the UC Regents on behalf of a student and/or to the student and crediting a student's account with the amount specified by the outside agency; or
 - Disbursing a check made out to the student after certifying that the student is enrolled.
3. Assisting an agency with processing applications, such as:
- Developing application materials;
 - Distributing and mailing applications to students meeting the scholarship program requirements; or
 - Collecting and/or processing applications from students.
4. Providing an agency with information about students, in accordance with applicable privacy laws and policy (which, in the case of confidential information, require the student's consent prior to the release of the information), such as:
- The names of students meeting specific characteristics, from which the agency would select recipients; or
 - Relevant information (including race, gender, color, ethnicity, or national origin) about specific students.
5. Assisting an agency with funding for awards, consistent with the following:
- If a student receives funds from the University in combination with preferential funds from an outside agency, the University funds involved must be awarded in a non-preferential manner. The portion of the award funded by the University must replace scholarship or grant dollars the student would have received on a non-preferential basis. The portion of the award funded by the outside agency is not subject to Proposition 209 restrictions and may result in an increase in the student's total scholarship or grant aid.
6. The following is an example of non-routine assistance which may not be given to outside agencies in administering their restricted awards when carried out on official University time:

- Participation in the selection of recipients where University staff is involved in determining the criteria to be used in establishing an eligible pool of recipients and/or in choosing the recipients from an eligible pool.

VII. Consultation

Attorneys from the Office of General Counsel in Oakland and resident on the campuses, and administrators in the Office of the President are available to help in interpreting these Guidelines and should be consulted whenever questions arise.