

Information on Letters and Deeds of Gift

Gifts are normally accompanied by a letter or deed of gift from the donor that specifies the use to which the gift is to be put. Under California law, gifts of community property require the consent of both spouses. A non-consenting spouse can revoke his or her community interest in such a gift. It is therefore in the best interests of the University to secure the signatures of both spouses for all significant gifts.

Ideally, the letter of gift should include the following points for ease in administering the fund:

- clearly state the donor's commitment (not *intention*) to make a gift;
- provide a brief description of the gift (e.g., cash, shares of stock, personal property);
- declare the gift is irrevocable;
- identify the purpose or purposes for which the gift will be used (this may include the campus designation and the type of fund [i.e., current use, endowment, plant])

The University's stewardship of a gift will be aided by a gift agreement crafted using the simplest, most straight-forward terms, preferably indicating that administration will be conducted according to University policy. Please carefully consider and consult on the obligations that the University may be making to build, maintain, and name facilities and programs -- especially commitments in perpetuity. Each time a gift agreement stipulates a unique committee structure or other unique administrative requirement, the cost of gift administration increases as do the chances that at some future time there will be a misstep in the handling of that particular gift. If a gift opportunity involves an unusual circumstance or unique issues, staff are invited to consult in advance with the Office of Development Policy and Administration (june.smith@ucop.edu), 510/987-9180.

Sample Language To Establish an Endowed Fund with The Regents or Campus Foundation

Donor Name(s)

I/WE wish to establish an endowed fund to benefit the _____ campus and hereby pledge irrevocably \$_____ to [The Regents/name of campus foundation], a California non-profit corporation, for that purpose. The fund shall be known as the _____ Fund (FUND) and will support (e.g., financial aid for undergraduate students at the direction of the Chancellor, research in mathematics, etc.).

I/WE plan to fulfill this pledge this year [or in _____(not more than five) years]. I/WE have made provision in MY/OUR [Will(s) or other testamentary-plan documents] for payment of any portion of this pledge that has not been paid at MY/OUR deaths.

I/WE understand that the FUND's expendable distribution will be determined from time-to-time under the Endowment Expenditure Policy established by [The Regents/name of campus foundation]. Total return earned by the FUND in excess of the amount approved for distribution shall be retained in the FUND principal to protect the FUND from the effects of inflation and to allow for growth. The expendable distribution from one year may be combined with that of the next year for spending purposes. In addition, I/WE authorize, at the discretion of the Chancellor, in any fiscal year that the expendable distribution is not needed for the aforementioned purpose, the addition of the distribution to the FUND principal.

I/WE understand that under campus policy there will be a one-time administrative fee of __% deducted from this gift. I/WE further understand that the principal of the FUND may be combined with other funds for investment purposes.

If, in the judgement of the Chancellor, the designated use of the expendable FUND distributions is impractical or impossible, then the Chancellor may use the FUND distributions to further the objectives and purposes of the campus, as HE/SHE determines to be consistent with MY/OUR interests and intentions.

The [Regents of the University of California/name of campus foundation] is a fully qualified charity, Tax ID number [_____].

Date

Signed by Donor(s)