

Administrative Guidelines for the Establishment and Operation of University of California Foreign Affiliate Organizations

I. Policy

A University of California *Foreign Affiliate* is a University-sanctioned entity which is formally established under laws applicable within the entity's local jurisdiction.¹ A Foreign Affiliate may take the form of a legal entity created by the University and funded with University funds, and may include an entity located on (and operated with) University-owned real property (assets).

On July 17, 2002, The Regents provided conditional authority to the President of the University to approve the establishment of Foreign Affiliates of the University structured as University sanctioned non-profit corporations, foundations, associations, and trusts, with the exclusive purpose of supporting the teaching, research and public service mission of the University. Each such entity is to be operated pursuant to terms and conditions approved by the President, as appropriate for the jurisdiction in which an entity is to operate. The Regents' action requires:

1. That each Foreign Affiliate be organized and operated in conformity with the laws of the jurisdiction in which it was established;
2. That to the maximum extent permitted by the laws of the countries in which they are established and operate, the assets of these Foreign Affiliates be irrevocably dedicated to the University;
3. That the governing boards of these entities at all times comprise a majority of University personnel or persons legally bound to act on behalf of the University; and
4. That the President issue necessary guidelines with respect to the establishment and operation of the Foreign Affiliates.

The following Presidential guidelines implement the Regents' action by specifying the terms and conditions pursuant to which such Foreign Affiliates will be authorized, organized and operated. To the extent it is legally permissible to do so in the respective local jurisdiction, a Foreign Affiliate may have as one of its purposes fostering financial support (e.g., gifts and endowments) for the benefit of the University.

¹ By contrast, *Foreign Operations* are not formal legal entities. *Foreign Operations* are governed by separate *Administrative Guidelines for the Establishment and Operation of University of California Foreign Operations*.

An official University of California unit must sponsor each Foreign Affiliate. The UC Sponsor² must seek approval in writing from the President or designee before establishing a Foreign Affiliate. UC Sponsor Responsibilities are listed in Section VI of these Guidelines. (Appendix C lists Position Authorities.)

The UC Sponsor and the chief executive officer (however designated) of each Foreign Affiliate are responsible for 1) assuring that these Guidelines are implemented and enforced, and 2) providing administrative oversight for the respective Foreign Affiliate's operations. Any waiver from the strict interpretation of these Guidelines to accommodate conditions within the local jurisdiction (as identified herein) will be coordinated with and approved by the appropriate responsible Office of the President official (Appendix C), and signed and permanently recorded by both the UC Sponsor and the Foreign Affiliate's chief executive officer.

In accordance with The Regents' action, each Foreign Affiliate will provide an annual status report to the President, on the basis of which the President will provide a summary report to The Regents.

II. Organization and Operation

- A. Each Foreign Affiliate must meet the following basic criteria as a condition of approval, continued operation and receipt of University financial support:
 - 1. It must be organized and operated in support of the University's missions;
 - 2. It must not promulgate propaganda or otherwise attempt to influence legislation, or participate or intervene in any political campaign on behalf of any candidate for public office in any jurisdiction;
 - 3. It must at all times operate in accordance with these Guidelines and such other terms and conditions as may from time to time be established by the President.
 - 4. It must not be operated for the private inurement or gain of any individual or other legal person.

- B. A duly-authorized Foreign Affiliate may be granted the following privileges:
 - 1. Use of the name and unofficial seal of the University;³

² For those Foreign Affiliates in place when these guidelines are promulgated, the UC Sponsor is the Office of International Academic Affairs (OIAA) or an administrative unit under OIAA such as the Education Abroad Program (EAP). General oversight of OIAA sponsorship is provided by the Provost and Senior Vice President--Academic Affairs (the President's designee, except as otherwise specified in Appendix C). A Foreign Affiliate for which the President (or designee) has approved as an exception a UC Sponsor other than OIAA is also subject to these Guidelines.

³ The official seal of the University is reserved for use by The Regents. The unofficial seal may be used for other purposes. More information is available online at: [University of California Graphic Identity Guide and Resources](#).

2. Use of University space, equipment, administrative services, and staff in the performance of the Foreign Affiliate's recognized activities; and
 3. Access to the University's investment and legal services, subject to approval by the Treasurer and the General Counsel of The Regents.
- C. To the extent permitted by the local jurisdiction, a Foreign Affiliate shall obtain and maintain status as a non-profit, tax-exempt, charitable organization under the laws of the respective jurisdiction so that the University's public missions are supported and so that properties, expenses and salaries will receive favorable tax treatment.⁴
- D. The General Counsel, as the office responsible for all legal affairs of the University, is solely authorized to retain outside, including foreign, counsel to advise in the organization and operation of University Foreign Affiliates.⁵
- E. To the extent permitted by the local jurisdiction, a Foreign Affiliate shall at all times operate in accordance with financial and administrative controls promulgated by the Senior Vice President--Business and Finance. Appropriate controls include but are not limited to those documented in these Guidelines, the Standing Orders, Bylaws and Policies of The Regents, University policies, the University Accounting Manual, and University Business and Finance Bulletins.⁶
- F. The Foreign Affiliate shall observe all University policies pertaining to the use of the University's name and unofficial seal.
- G. To the extent permitted by the local jurisdiction, the Foreign Affiliate shall be established as a membership organization, with the University of California serving as the sole or controlling member, for purposes of making such decisions as the local jurisdiction reserves to the members of such organizations.
- H. The chief executive officer (however designated) of a Foreign Affiliate shall at all times be a University employee.
- I. A majority of the governing board of a Foreign Affiliate and a majority of the executive committee (or similar committee authorized to act for the full governing board) shall at all times be University of California employees, or other persons legally bound to follow the University's directions.

⁴ The Foreign Affiliate's legal structure should approximate as closely as possible (in each foreign jurisdiction) the requirements of public benefit corporations in the United States which are in compliance with the federal requirements of section 501(c)(3) of the Internal Revenue Code.

⁵ Pursuant to [Regents Bylaw 21.2](#) and by Resolution of the Board of Regents adopting terms for University of California Legal Services (January 1993).

⁶ University policies may be found online at: [University of California Policies](#).

- J. The organizing documents of a Foreign Affiliate (e.g., articles of incorporation, bylaws, constitution) and all amendments thereto must be approved by the President or designee and by the General Counsel. The UC Sponsor must forward an executed copy of all approved documents to the President or designee, as well as any amendments thereto.
- K. The President may establish additional written policies, guidelines, and delegations regarding Foreign Affiliates as deemed necessary. Copies of such policies, guidelines, delegations, and any amendments thereto shall be furnished to the UC Sponsor, who will in turn provide them to the chief executive officer of the Foreign Affiliate.
- L. The UC Sponsor may require additional and more stringent guidelines than these Guidelines, but at no time may a UC Sponsor adopt procedures that have the effect of weakening the controls intended by these Guidelines.

III. Financial Activities of Foreign Affiliates

- A. Foreign Affiliates shall operate on the basis of a July 1st to June 30th fiscal year, unless the local jurisdiction requires another fiscal year.
- B. To the extent permitted by the local jurisdiction, the financial activities of a Foreign Affiliate shall be administered and reported in accordance with the University's business, accounting and budgeting policies and practices and generally accepted accounting principles.
- C. No general funds shall be transferred to a Foreign Affiliate unless 1) the funds are to be used solely to support University-approved programs in the jurisdiction in which the Foreign Affiliate operates, and 2) the UC Sponsor has obtained permission from the President (or designee) to transfer necessary funds (commensurate with budget submission and approval) in accordance with University policies. The UC Sponsor must maintain accurate and timely accounting data regarding any such transfers.
- D. The chief executive officer (however designated) or governing board of a Foreign Affiliate may establish a bank account following an approved written request by the UC Sponsor to the President or designee. University cash-handling procedures must be used by Foreign Affiliates (Appendix A). If local law or custom makes it financially advantageous for the Foreign Affiliate to depart from the specified procedures, the UC Sponsor may make a written request to the President or designee setting forth the facts, and the President may grant a variance when in the best interests of the University.

Only the following UC Sponsor-authorized expenditures for Foreign Affiliate or University activities may be made from Foreign-Affiliate bank accounts:

1. Personnel costs related to Foreign Operation staff, including payroll taxes and similar costs;
 2. Costs related to lease, operation and management of real or personal property⁷ (in compliance with real estate transaction policy⁸) associated with University-related functions of the Foreign Affiliate;
 3. Charges for supplies and other expenses incurred by the University or the Foreign Affiliate in carrying out University or Foreign Affiliate functions;
 4. Payments for audit services, tax return preparation, investment performance analyses, legal fees, insurance, taxes, accounting services, building management, or other such services; and transfer of assets to accomplish investment and cash management purposes;
 5. Services to students or to third parties on behalf of students, such as student housing payments, field trip expenses, orientation activities or similar student services, or payments for medical or other emergencies;
 6. Contractual UC-to-host-institution payments, such as faculty exchange expenses, expenses associated with reciprocity students, University tuition or registration fees; or
 7. Transfers of funds to the University.
- E. All disbursements on behalf of a Foreign Affiliate shall be approved by the Foreign Affiliate's chief executive officer (however designated), who has been delegated this authority in writing under University organizational or operational protocols through the President or designee. Checks in amounts in excess of \$10,000 (or equivalent foreign currency) drawn by a Foreign Affiliate must bear the signatures of two separate individuals who have been delegated such authority in writing by the President or designee.
- F. No trustee, officer, chief executive officer or staff member of a Foreign Affiliate may accept from any source a gift or gratuity that is offered or may appear to have been offered because of the individual's position with the Foreign Affiliate, nor shall an offer of a gift or gratuity likewise be extended by such an individual. A gift or gratuity is any payment for which no consideration of equal or greater value is received. Informational material (e.g., books, reports, calendars, or other unsolicited promotional items) is not considered a gift, nor is a modest

⁷ *Real property* is land and anything attached to the land (buildings). *Personal property* is any other tangible property.

⁸ Policy on real property transaction submission, review and approval may be found online at <http://www.ucop.edu/facil/resg/ExecutionAuthorities11-03.pdf> and at <http://ucop.edu/facil/fmc/facilman/volume1/ch5.html#part51>.

expenditure for entertainment, such as a meal or refreshments in connection with meetings, conferences, public ceremonies, or home hospitality. This provision applies to individuals and does not apply to gifts offered to the Foreign Affiliate as an organization.

- G. A Foreign Affiliate must submit for review and approval by the UC Sponsor all property management agreements, personal property leases or other contracts with a term longer than one year or in an amount greater than \$25,000 per year.⁹ The UC Sponsor of the Foreign Affiliate will forward any such agreements to the President or designee for review and approval. The UC Sponsor will also review any request by the Foreign Affiliate for approval of capital improvements, acquisitions and real property leases and rental agreements, and will forward these to the President or designee for approval in accordance with Regents' Standing Order 100.4 (q) governing capital improvement program approval, Regents' Standing Order 100.4 (cc) governing contracts, real property rental agreements and space utilization, and Regents' Bylaw 12.4 governing approval of capital improvements.
- H. An annual operating budget shall be established by the chief executive officer and be approved by the governing Board of the Foreign Affiliate and then submitted for approval to the UC Sponsor.
- I. Within 90 days of the close of each fiscal year, a Foreign Affiliate shall submit to the UC Sponsor a detailed report comparing budgeted to actual revenues and expenditures by fund source.
- J. A Foreign Affiliate shall not directly or indirectly employ, supplement the salary of, or provide any consulting fees, loans or perquisites to any University employee outside of established University personnel policies and practices. A Foreign Affiliate may transfer gift funds to The Regents, and University employees may receive payments from said account in accordance with University policies.
- K. A Foreign Affiliate shall not pay any salaries, consulting fees, loans, or perquisites to a Foreign Affiliate trustee, chief executive officer, officer, or volunteer. Payments may be made for reimbursement for appropriate business-related expenses.
- L. Within 90 days of the close of the fiscal year, the Foreign Affiliate must annually file the following information with their UC Sponsor:

⁹ Policies regarding real estate transaction submission, review and approval are available at: <http://www.ucop.edu/facil/resg/ExecutionAuthorities11-03.pdf>.

1. A list of all persons serving on any bodies of the Foreign Affiliate having governance powers, including officers, directors and trustees, with a specification of whether or not they are University employees;
 2. Copies of reports, registrations, and tax returns filed with every foreign and domestic governmental or regulatory agency;
 3. An annual financial statement in a form delineated by the President or designee (see also Section VI).
- M. The Foreign Affiliate must maintain current and complete financial books and administrative records, including but not limited to the Foreign Affiliate's articles of organization ("incorporation"), bylaws, meeting minutes, a compendium of policies and procedures, a compendium of resolutions of the governing board, records of all banking accounts, and all financial records. These records shall be available at any time upon request by the President or designee for inspection, review and audit.
- N. There shall be no business transactions involving the Foreign Affiliate and the personal or business affairs of a trustee, directors, officer, or staff member of the Foreign Affiliate unless the UC Sponsor has requested and received prior written approval from the President or designee. In addition, trustees, directors, officers, and staff members of a Foreign Affiliate shall disqualify themselves from making, participating in making, or in any way attempting to use their official positions to influence a decision in which they have or would have a financial interest.
- O. Financial commitments and expenditures by a Foreign Affiliate 1) shall comply with University policy and budgets, and 2) shall have been approved by the Foreign Affiliate's chief executive officer and by the UC Sponsor.

IV. Soliciting and Accepting Gifts

- A. Foreign Affiliates that intend to seek gifts shall identify desired programs and monetary objectives, and establish gift solicitation and acceptance policies,¹⁰ all of which will be submitted through the UC Sponsor to the President for approval.
- B. Foreign Affiliates may accept gifts only for the support of approved University of California programs, including foreign activities.
- C. Gifts to a Foreign Affiliate shall be accepted by the Foreign Affiliate in accordance with gift acceptance policies which have been approved by the

¹⁰ The University of California Gift Development Policy Manual is available online at: <http://www.ucop.edu/ucophome/policies/devpol/>.

President or designee and adopted by the Foreign Affiliate's governing board. The use of gift funds (or property) must be in accordance with the donor's intent and coordinated / approved by the UC Sponsor and Office of the President departments consistent with University policy. (Such authorizations may be made during the annual budget approval process.)

- D. Gifts to a Foreign Affiliate that exceed the current delegated acceptance authority¹¹ or are otherwise inconsistent with the Foreign Affiliate's gift policies as approved by the President or designee require prior approval by the President or designee before acceptance.
- E. Authorized gifts to a Foreign Affiliate shall be reported to the President or designee in a form specified by the President or designee.
- F. Any restrictive terms and conditions attached to gifts for the Foreign Affiliate or University are subject to University approval.
- G. Subject to such policies of the Foreign Affiliate which have been previously approved by the President or designee, a Foreign Affiliate may hold, and invest on a long-term basis, funds received by the Foreign Affiliate as endowments and Funds Functioning as Endowments.¹² Such investments must be consistent with the terms of the individual gift instruments and with guidelines for investment issued by The Regents. Investment operations shall be conducted in accordance with prudent business practices to ensure that gift assets are protected and enhanced, that a reasonable return is achieved, and with due regard for the fiduciary responsibilities of the Foreign Affiliate's governing board. Unless an exception has been previously approved, the Treasurer of The Regents shall review investment procedures and results annually and report the findings to The Regents.
- H. If the Foreign Affiliate receives donated restricted funds or is allocated unrestricted funds (including investment income) in support of its *activities*, the Foreign Affiliate shall transfer such funds to the University on an annual basis or whenever the balance exceeds \$250,000. Funds shall be administered by the University in accordance with University policies, and expended by the University from regular University accounts or from University agency accounts. If local jurisdiction tax laws or other circumstances make it advantageous for the expenditure to be made directly from the Foreign Affiliate, the Foreign Affiliate shall so inform the UC Sponsor who shall be required first to obtain the approval of the President or designee for such local expenditure.

¹¹ Present gift acceptance authority is limited to \$5 million.

¹² See [Accounting Manual E-525](#), Endowment and Similar Funds, Section III B.

- I. If the Foreign Affiliate receives donated restricted funds or is allocated unrestricted funds (including investment income) for support of University *departments or programs*, the Foreign Affiliate shall transfer such funds to the University on an annual basis or whenever such balance exceeds \$250,000. Funds shall be administered by the University in accordance with University policies, and expended from University department or program accounts. If local jurisdiction tax laws or other circumstances make it advantageous for the expenditure to be made directly from the Foreign Affiliate, the Foreign Affiliate shall so inform the UC Sponsor, who will seek approval from the President or designee for such local expenditure.
- J. If the Foreign Affiliate intends to assess a charge against proposed restricted gifts or income from such gifts to support the Foreign Affiliate's administrative costs, the Foreign Affiliate shall disclose such a charge to prospective donors, and shall include a disclosure statement in fundraising literature. The Foreign Affiliate's governing board and the University President or designee must approve any administrative charge in advance of application, and the charge must be disclosed in the Foreign Affiliate's audited financial statements.

V. **Audit Requirements**

- A. Foreign Affiliate with fiscal year expenditures under \$200,000.
The governing body of a Foreign Affiliate with gross annual expenditures of less than \$200,000 shall annually provide the UC Sponsor with fiscal year financial statements as well as a copy of all financial or tax forms submitted to the foreign government.
- B. Foreign Affiliate with fiscal year expenditures of \$200,000 to \$1,000,000.
The governing body of a Foreign Affiliate with gross annual expenditures of \$200,000 to \$1,000,000 shall annually contract and pay for a fiscal year review of financial statements to be prepared by a reputable independent accounting firm. The audit engagement must be approved in advance by the Vice President for Financial Management as requested by the Affiliate's UC Sponsor. Such a review will be completed and submitted to the Sponsor within 90 days of the end of the respective fiscal year.
- C. Foreign Affiliate with fiscal year expenditures greater than \$1,000,000.
The governing body of a Foreign Affiliate with gross annual expenditures in excess of \$1,000,000 shall annually contract and pay for a fiscal year external audit to be conducted by a firm of public accountants of recognized standing in the jurisdiction in which the Foreign Affiliate operates. The audit engagement must be approved in advance by the Vice President, Financial Management as requested by the Affiliate's UC Sponsor.

1. The audit report shall include the following:
 - a. Financial statements, including management discussion and analysis, prepared in accordance with the most recent requirements imposed on the accounting profession in the jurisdiction in which the Foreign Affiliate operates.
 - b. A management letter addressed to the appropriate members of the Foreign Affiliate's governing board conveying audit findings and recommendations and including management's response to each finding and recommendation.
 2. The external audit and all resulting reports shall be completed within 90 days of the end of that fiscal year.
 3. The external auditor shall be instructed to furnish a copy of the audit report, including the letter to management with management's response, to the UC Sponsor who will forward it, with the UC Sponsor's additional response, to the President or designee.
- D. A Foreign Affiliate shall permit the President or designee to inspect and audit all books and records at all reasonable times. A Foreign Affiliate shall be audited by the University Auditor upon notice by the President.

VI. UC Sponsor Responsibilities

- A. The UC Sponsor is directly responsible for ensuring that adequate controls and processes are in place to assure that Foreign Affiliates are in compliance with these guidelines.
- B. Each UC Sponsor shall provide an annual report to the President or designee and to the Provost and Senior Vice President--Academic Affairs (if separate from the President's designee) that contains the following Exhibits for each of the Foreign Affiliates within the UC Sponsor's oversight. The annual report must be filed within four months of the close of each Foreign Affiliate's fiscal year. (Appendix B is a sample report.)

For each Foreign Affiliate, the UC Sponsor will provide:

- Exhibit 1, a current list of the Foreign Affiliate's officers and members of the Board of Directors (or other governing board), including officers, directors and trustees, with a notation as to whether or not they are University employees, and the principal contact person for the Foreign Affiliate.
- Exhibit 2, a statement of the Foreign Affiliate's purpose and goals and/or enabling documents. (For the first year, the filing must contain a complete

copy of the organization's bylaws, constitution, articles of incorporation and/or other governing documentation. Subsequent years' exhibits should reference the first year's submission and provide copies of any changes or revisions to the enabling documents.)

- Exhibit 3, a current roster of names and addresses of donors to and members of the organization. (If such records are otherwise maintained by the University, a separate statement verifying that fact should be attached.)
- Exhibit 4, a statement which lists the specific types of activities, including fundraising drives, the organization intends to undertake in the coming year, including the proposed budget for these activities and how the organization intends financially to support these activities.
- Exhibit 5, a list of all Foreign Affiliates and the accounts held at any financial institution in the name of the Foreign Affiliate, including the institution's name and address, account numbers, authorized signers, and account balances. This exhibit must also be forwarded to the Director, Financial Controls and Accountability, Office of the President.
- Exhibit 6, a statement signed by an appropriate officer or representative authorizing the University to obtain upon request from the financial institution all information, records, or photocopies of transactions relating to all account(s) held in the name of the organization.
- Exhibit 7, a copy of the Foreign Affiliate's annual tax form, annual financial statements (audited, if required under these guidelines), and a comparison of actual revenues and expenditures compared to the budget approved by the UC Sponsor.
- Exhibit 8, the name and address of local legal counsel (if any), with a copy sent to the General Counsel.

Appendix A: Cash Handling Procedures for Foreign Affiliates

Appendix B: Sample Annual Report to Provost and Senior Vice President, Academic Affairs

Appendix C: Position Authorities

Cash Handling Procedures for Foreign Affiliates

All Foreign Affiliates with accounts maintained by the University shall comply with the Policy for Handling Cash and Cash Equivalents ([Business and Finance Bulletin BUS-49](#)).

Each Foreign Affiliate that maintains an account with a financial intermediary (i.e., an account other than a University or Campus Foundation-managed agency account) shall conform to the following provisions:

1. Maintain written evidence of approval from the President or designee to hold a specific account.
2. Obtain and maintain a separate taxpayer identification number.
3. For non-tax-exempt organizations using an outside bank account, establish only a single demand-deposit (i.e. checking) account. An additional account may be established to separate U.S. currency and local currency. A Foreign Affiliate maintaining educational operations in more than one city or location may establish additional sets of demand-deposit accounts (separate accounts for U.S. and for local currency) for each multiple location, if regional banking restrictions or business situations do not permit operating with a single bank account or with the same banking institution in the multiple locations.
4. For tax-exempt organizations, limit outside bank accounts to two demand-deposit (i.e., checking) accounts at a single financial institution. One may be used exclusively for membership dues transactions, if appropriate; the second may be used to deposit gifts and for transactions unrelated to membership dues. Savings, money market or equivalent accounts in the same institution are permissible so long as (a) the principal is not put at risk (e.g., an account must be insured), and (b) the funds are not invested for a fixed duration that would interfere with meeting University funds transfer requirements. Gift funds must be transferred to the University or to the Campus Foundation according to the schedule set out in the *Administrative Guidelines for the Establishment and Operation of University of California Foreign Affiliate Organizations*. Two additional accounts may be established to separate U.S. currency from local currency.
5. Maintain a written record of authorized check signers. Such authorizations shall be approved by the governing board (if any) and the President or designee, and any changes to the list of authorized signers shall be documented on a timely basis.
6. Assure that bank statements are delivered directly by the bank to an identified individual who is not an authorized check signer, who does not prepare checks for signature, and who is responsible for promptly reconciling the account each month.
7. Assure that the monthly bank reconciliation statement is reviewed on a timely basis by an individual who accepts ultimate responsibility for the organization's funds.
8. Establish written procedures for cash receipting and depositing.
9. Require two signatures on all checks in excess of \$10,000.

10. Establish a mechanism to recognize in a timely manner when accumulated cash meets the requirement for transfer to the University.
11. Provide an annual report to the President or designee of all bank accounts, year-end balances, and authorized check signers.

Appendix B

Sample Letter to the Provost and Senior Vice President, Academic Affairs from the UC Sponsoring Organization (UC Sponsor) of a Foreign Affiliate Organization

To: Provost and Senior Vice President (last name)

From: [UC Sponsor of X Foreign Affiliate Organization(s)]

This letter and the attached exhibits constitute the annual report to the Provost and Senior Vice President, Academic Affairs for fiscal year 20XX-XX (or calendar year 20XX) from the [UC Sponsor of X Foreign Affiliate Organization(s)] to confirm compliance with the University of California Policy on Foreign Affiliates approved by The Regents on July 17, 2002 (hereafter, “the Policy”) and the *Administrative Guidelines for the Establishment and Operation of University of California Foreign Affiliate Organizations* (hereafter, “the Guidelines”).

Attached as Exhibit 1 is a current list of the organization’s officers, members of the Board of Directors (or other governing board), and the principal contact person for the organization.

Attached as Exhibit 2 is a statement of the organization’s purpose and goals and / or enabling documents. (In the first year of operation, the filing must contain a complete copy of the bylaws, constitution, articles of incorporation and / or other governing documentation. In subsequent years, refer to the first year’s submission but attach copies of any changes or revisions to the enabling documents.)

Attached as Exhibit 3 is a current roster of names and addresses of donors to and members of the organization. (If such records are otherwise maintained by the University, a separate statement verifying that fact should be attached).

Attached as Exhibit 4 is a statement which lists the specific types of activities, including fundraising drives, the organization intends to undertake in the coming year, including the proposed budget for these activities and how the organization intends financially to support these activities.

Attached as Exhibit 5 is a list of all accounts held at any financial institution in the name of the organization, including the institution’s name and address and the account numbers.

Attached as Exhibit 6 is a statement signed by an appropriate officer or representative authorizing the University to obtain upon request from the financial institution all information, records, or photocopies of transactions relating to all account(s) held in the name of the organization.

Attached as Exhibit 7 is a copy of the organization’s annual tax form (IRS Form 990 or equivalent) and annual financial statements.

Attached as Exhibit 8 is a statement as to the name and address of local legal counsel (if applicable).

A list of current members of the Board of Directors (or governing body) for the [X Foreign Affiliate Organization] have been provided along with a copy of the Policy and Guidelines.

The Board of Directors (or governing body) has formally voted that it will comply with the Policy and Guidelines set forth by The Regents and the President of the University.

The [X Foreign Affiliate Organization] is in full compliance with said Policy and Guidelines and this letter and the attached exhibits contain true and correct information.

The [X Foreign Affiliate Organization] understands that compliance with the University Policy and Guidelines is a condition of continued acceptance and that any changes to the organization's structure, purpose and goals and / or enabling documents must be reported in a timely manner to the UC Sponsor and the Provost and Senior Vice President--Academic Affairs or designee.

Dated this _____ day of _____ 20__.

[UC Sponsor of X Foreign Affiliate Organization(s)]

By: _____

By: _____

Title: _____

Title: _____

Exhibits are to be attached to this letter.

Appendix C

Position Authorities University of California Foreign Affiliates

Description of Authority	Responsible Official	Guideline Reference
To approve establishment of Foreign Affiliates	Provost and Senior Vice President - Academic Affairs	I- pg. 1
General oversight of UC Sponsor (unless exception requested by other department)	Provost and Senior Vice President - Academic Affairs	I- pg. 2
To approve outside legal services	General Counsel of The Regents	II-D
Establishment of financial control policy	Senior Vice President - Business & Finance	II-E
To approve organizing documents	Provost and Senior Vice President - Academic Affairs General Counsel of The Regents	II-J
To approve General Fund transfers	Provost and Senior Vice President - Academic Affairs	III-C
To approve establishment of bank account(s) & exceptions to bank account policy	Director, Financial Controls & Accountability	III-D
To approve use of gift funds	Provost and Senior Vice President - Academic Affairs	III-D-6
To designate those individuals authorized to write checks in excess of \$10,000	Director, Financial Controls & Accountability	III-E
To approve all real property agreements, capital improvement undertakings, and property management agreements	Assistant Vice President – Facilities Administration	III-G
To receive annual Foreign Affiliate filings	Provost and Senior Vice President - Academic Affairs General Counsel of The Regents	III-L
To approve business transactions with Foreign Affiliate officer or staff	Provost and Senior Vice President - Academic Affairs	III-N
To approve gift solicitation and acceptance policies	Senior Vice President – University Affairs	IV-A
To approve acceptance of gifts	Provost and Senior Vice President - Academic Affairs Senior Vice President – University Affairs	IV-C

To approve exceptions to the maximum allowable gift amount	Provost and Senior Vice President – Academic Affairs	IV-D
To approve expenditure of gift funds	Provost and Senior Vice President – Academic Affairs	IV-G
To review gift investment procedures	Treasurer of The Regents	IV-G
To approve expenditure of gift funds	Provost and Senior Vice President – Academic Affairs	IV- H, I
To approve administrative charges against gifts	Provost and Senior Vice President – Academic Affairs	IV-J
To approve engagements with an accounting/audit firm	Vice President – Financial Management	V- B, C
To receive annual Audit Report	Provost and Senior Vice President – Academic Affairs	V- C-3
To receive annual reports on Foreign Affiliate board, purpose, activities and donors	Provost and Senior Vice President – Academic Affairs	VI Exhibits 1-4
To receive annual report on bank/financial accounts, information availability	Director, Financial Controls & Accountability	VI Exhibits 5,6
To receive annual tax form, financial statements, statement of budgeted vs. actual costs	Provost and Senior Vice President – Academic Affairs	VI Exhibit 7
To receive annual report on local legal counsel	General Counsel of The Regents	VI Exhibit 8