

University of California

Updated October 24, 2012

## ADMINISTRATIVE GUIDELINES FOR SUPPORT GROUPS

The University and the Board of Regents are indebted to volunteer groups and non-profit organizations for their invaluable assistance in fundraising, public outreach and other aspects of support for the University's mission. As a public trust and as the beneficiary of these fundraising and outreach activities, the University is obligated to assure that the funds raised and the activities conducted on its behalf meet the required legal and fiduciary standards, and exemplify prudent business practices. To this end, The Regents issued the Policy on Support Groups, Campus Foundations and Alumni Associations (<http://regents.universityofcalifornia.edu/governance/policies/5203.html>) on September 15, 1995 (amended on September 22, 2005).

These Administrative Guidelines are set forth to enlist the vitally important volunteer leadership of support groups in the implementation of the Policy and in the University's stewardship of activities conducted in its name. The President or Chancellor may establish additional operational conditions, as appropriate, consistent with the Policy and these Guidelines.

Each Chancellor has designated an individual to serve as the liaison with campus support groups and their officers. Questions about these Guidelines should be addressed to the campus office of support group operations.

It is important to note that these Administrative Guidelines make a distinction between those organizations whose programs, assets and business operations are vested wholly with the University in departmental or agency accounts or in Campus Foundation agency accounts, and those whose assets are held outside the University or the Campus Foundation in external bank accounts. When a support group uses University departmental and agency accounts or Campus Foundation agency accounts, the disbursements must comply with University policy and procedure for fund use and review. By virtue of the policies and practices already in place, those groups with assets administered wholly within University and Campus Foundation accounts are deemed to be in compliance with University financial auditing and reporting requirements for support groups as outlined in Section IV (below), and therefore meet the minimum reporting standards. A group with externally-held assets is required to provide more comprehensive reports regarding stewardship of the external assets (Section V).

### I. DEFINITION, PURPOSE AND PRIVILEGES OF SUPPORT GROUPS

- A. A support group is any group, organization, foundation, or association other than a Campus Alumni Association or Campus Foundation: (1) whose primary purpose is to provide assistance through fundraising, public outreach, and other activities in support of the University's mission; or (2) whose representatives or activities make the entity indistinguishable from the University itself; or (3) that acts as an agent of or intermediary for the University. Support groups typically operate in affiliation or collaboration with the University to raise gift funds and/or to provide public support for the teaching, research, patient care, and public service programs of the University. These groups may be structured as unincorporated organizations, organizations incorporated before April 1996, medical faculty organizations, and advisory groups. The University requires that support groups established after 1996 not be incorporated. Each such support group shall be organized and operated so that contributions to it or through it to the University or the

Campus Foundation shall be deemed tax deductible contributions under relevant provisions of State and federal tax law. Gifts to benefit the programs of a non-tax-exempt support group shall be made to The Regents or to the Campus Foundation. Gifts to a tax-exempt organization shall be handled as outlined in these Guidelines.

- B. A support group that has received official recognition from the University is authorized to use the name of the University, of a specific campus, or of an institutional unit. Additionally, each campus may permit a support group to use space, equipment, and staff resources in the performance of its recognized support activities. An organization must have official recognition for the following: (1) to represent itself as raising funds or otherwise providing support on behalf of, or for the benefit of, the University, a campus or an institutional unit thereof; (2) to use the name of the University, a campus or an institutional unit either expressly or by implication in connection with its activities; or (3) to use University facilities, equipment, or personnel in connection with its activities.

## II. OFFICIAL RECOGNITION

### A. General

1. The Chancellor shall approve official support group status. The Chancellor may designate an individual to act on his or her behalf, for all instances below which require action by the Chancellor.
2. Each campus shall establish a process for official approval of support group status and is expected to maintain documentation to demonstrate each approved group's compliance with these Administrative Guidelines (*Guidelines*).
3. A support group must annually request and receive official recognition from the Chancellor, in compliance with the University of California Policy on Support Groups, Campus Foundations, and Alumni Associations (*Policy*) and these Guidelines.
4. A request for recognition will be denied when an organization does not meet the required terms of recognition, or when the Chancellor determines that an organization does not serve the best interests of the University.

### B. Official Recognition

Local implementing procedures for approval of support groups shall be developed by each campus. Prospective support groups, as well as groups applying for renewal of recognition, must submit the following information to the Chancellor (refer to Appendix II for sample documents):

1. A current list of officers, members of the board of directors (if any), and the principal contact person for the organization.
2. A statement of the organization's purpose and goals and/or enabling documents (i.e., bylaws, constitution, articles of incorporation, or other governing documents), and any changes to these statements and documents adopted since the previous application for support group recognition.

3. Upon request of the Chancellor, a list of current donors and amounts of contributions and a list of members from the current fiscal year, including names and addresses, unless all financial activities are vested with The Regents or the Campus Foundation.
4. A statement signed by the officers/administrators of the organization that the board of directors (or the governing body) has read and formally voted to comply with the Policy and these Guidelines.
5. A list of planned activities, including fundraising and membership drives, and how the organization will financially support these activities.
6. For support groups for which the Chancellor has approved the use of an external bank account, a list identifying all such account(s), including the financial institution's name and address, the account name(s) and number(s), the associated taxpayer identification number, and a statement signed by an appropriate officer or representative authorizing designated University personnel to receive from the financial institution any information, records, and photocopies of transactions relating to the support group's account(s). The University may at any time request this information from the financial institution. (See Appendix II-B)
7. A statement signed by an appropriate officer or representative of the support group that the organization's cash-handling practices are in conformance with the principles articulated in Appendix I.
8. For a tax-exempt organization, a copy of the organization's most recent IRS Form 990 and annual financial statements.
9. For a group with an external bank account(s), copies of monthly statements for the fiscal year.

#### C. Failure to Comply

Any support group that does not comply with these Guidelines shall receive written notice from the Chancellor that recognition will be withdrawn.

1. In the event the group fails to comply within the time period specified, the Chancellor shall withdraw the support group's official recognition and take all necessary actions in that regard.
2. Upon withdrawal of recognition, the assets of the support group shall be transferred to The Regents of the University of California or the Campus Foundation, as designated by the Chancellor, to be administered consistent with the terms of the individual gifts and purposes of the support group. In the event the support group fails to transfer its assets within a reasonable time period, not to exceed three months, the General Counsel of The Regents shall take such legal action as may be necessary to compel transfer.
3. If official recognition has been withdrawn, the support group may no longer make use of the University's name, facilities, equipment, or support staff. Should the support group fail to cease its activities, the General Counsel shall take such legal action as may be necessary.

### III. ORGANIZATION

- A. Each support group's operations shall be conducted and managed by its governing body, consistent with University policy and these Guidelines, as set forth in its statement of purpose or goals, and/or enabling documents. These documents shall include the following statements:
1. The Chancellor and the head of the sponsoring department(s) (or designee) are ex-officio voting members of the governing body; and
  2. In the event of dissolution, or if a support group elects to become a non-recognized organization, its assets shall be transferred within three months to The Regents or to the Campus Foundation, as designated by the Chancellor, to be administered consistent with the terms of the individual gifts and the purposes of the support group; and
  3. The President (or designee, including the University Auditor and the Director of Financial Controls and Accountability) and the Chancellor (or designee and/or campus Internal Audit) shall be authorized to receive information, records, and photocopies of transactions relating to the account(s) as may be necessary from any financial institution with which the organization maintains accounts.
- B. A support group created after April 1996 shall not be incorporated and shall instruct all donors to make charitable donations directly to The Regents or to the Campus Foundation, the funds to be used solely for the benefit of the University programs/departments for which the funds are donated.
- C. A tax-exempt organization incorporated prior to April 1996 may receive official recognition as a support group when the following conditions are met:
1. The support group must be recognized as a tax-exempt entity under State and federal income tax law so that contributions to it will be tax-deductible, charitable contributions. The organization is responsible for properly issuing receipts to donors and acknowledging charitable gifts as stipulated by applicable tax law and regulations, including disclosure to donors of the fair market value of any goods or services provided to the donors in connection with their gifts.
  2. Each such support group is required to maintain liability insurance in an amount appropriate to the organization's activities. Other insurance needs (for example, directors' and officers' insurance) should be reviewed with a commercial insurance representative as necessary.
- D. A support group is prohibited from participating in a political campaign on behalf of any candidate for public office. However, advocacy to support the University's legislative, budget and electoral objectives may be permitted by the Chancellor if conducted in concert with the University. Under these circumstances, a support group may attempt to influence legislation on behalf of the University provided that the advocacy is not a substantial part of the group's activities.

#### IV. SUPPORT GROUP ACTIVITIES

##### A. Financial Activities

1. The financial activities of a support group shall be administered in accordance with prudent business practices and generally accepted accounting principles.
2. A support group shall operate on a fiscal-year basis commencing each July 1 and ending each June 30, unless the campus has granted an exception to report on a calendar-year basis.
3. Contracts, grants, clinical trials, or specific research projects funded by external sponsors must be entered into directly by the University and the research sponsor, not by a support group. Gifts designated to support a specific University research project or the work of a specific researcher, or otherwise intended to support research activities, may be made only to The Regents or the Campus Foundation, and must conform with applicable policies and procedures, including the State of California Political Reform Act, which requires disclosure by the faculty member of any financial interest in the donor. A support group may not be used as a means to circumvent these requirements.
4. Endowments may be held only by The Regents or by the Campus Foundation. The terms for a proposed endowment must be reviewed with the Chancellor or designee prior to formal acceptance. A support group may not hold and invest endowment funds for the benefit of the University. A tax-exempt support group may accept in its own name a gift for an endowment, but the endowment gift and the donor's terms must be transferred to The Regents or the Campus Foundation *within five working days*.
5. A support group without tax-exempt status shall not accept gifts of any kind. Any such gift, including one to benefit University programs sponsored by the support group, must be made payable to The Regents or the Campus Foundation.
6. A support group may 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 support group may establish a gift fund with The Regents from which University employees may receive payments in accordance with University policies.
7. Unless the Chancellor has authorized an outside bank account under these Guidelines, all financial transactions of a non-tax-exempt support group must be processed through: (a) a University agency or department account, and/or (b) a Campus Foundation agency account.
8. All financial transactions of a tax-exempt support group may be processed through an agency or department account with the University or through an agency account with the Campus Foundation, so long as all disbursements comply with University policy. However, the Chancellor may permit such transactions (including gift transactions) to be made through external financial

account(s) provided that: (1) the organization follows the relevant provisions of State and federal tax law with regard to charitable contributions and the reporting requirements set forth in these Guidelines; and (2) the required transfers of assets to The Regents or the Campus Foundation are made according to the schedules prescribed in these Guidelines. (See Sections IV.A.4 and IV.B.3.)

#### 9. Accounts with Financial Institutions

A support group shall adhere to the following stipulations if it maintains accounts external to the University or to the Campus Foundation:

- a. External financial account(s) will be managed in accordance with the cash-handling procedures set forth in Appendix I.
- b. With the express written permission of the Chancellor and the specific written approval of its governing body, a tax-exempt support organization may maintain no more than two accounts with a single financial institution. If financial activities are conducted through an external financial institution, a separate account must be maintained so that expenditures which solely benefit group members are made from a distinct account funded exclusively by membership dues (as described in Section IV.A.9.c., below). The following expenditures for support group activities may be made from funds other than membership dues:
  - i. payments for audit, tax preparation, or legal fees; payments for insurance or taxes; and payments or transfers of assets for cash management to and between approved accounts within the financial institution;
  - ii. payments to donors to refund contributions as permitted by law, and to return overpayments pursuant to a donor's request;
  - iii. payment of donations to other organizations of contributions received in error; or other remittances made in error to the support group;
  - iv. with the written approval of the Chancellor, payment of direct fundraising expenses in accordance with the organization's annual plan;
  - v. transfers to The Regents or to the Campus Foundation; and
  - vi. legally appropriate payments to support ballot measures endorsed by The Regents which are clearly beneficial to the University.
  - vii. Amounts in excess of \$25,000 in the dues account shall be transferred to The Regents, the Campus Foundation, or the organization's gift account.
- c. With the express written permission of the Chancellor, a non-tax-exempt organization may maintain a single bank account, which shall not exceed \$25,000, to handle non-gift income (i.e., membership dues, etc.) which may

- be expended solely for the benefit of the membership (meetings, social events, and the like). Amounts in excess of \$25,000 shall be transferred to an account with The Regents or the Campus Foundation *within 20 working days*. When the account balance exceeds \$5,000, copies of the monthly account statements shall be forwarded in a timely manner to the campus office of support group operations. To maintain balances in excess of \$25,000 for particular projects, a support group must apply in writing to the Chancellor and provide justification for the increase in the \$25,000 limit.
- d. Upon achieving official campus support group status, a group which prefers to use external banking services shall make a written request to the Chancellor to open an outside bank account. The group will work with the campus support group coordinator to obtain a taxpayer identification number for the account. A support group is prohibited from using the tax identification number of the University, the Campus Foundation, the Alumni Association or any other campus entity.
  - e. Checks issued in excess of \$1,000 drawn on an external bank account shall require two signatures by members of the support group's governing body.
10. A support group shall permit the President (or designee, including the University Auditor and the Director of Financial Controls and Accountability) and the Chancellor (or designee, including the campus Internal Audit Office) to inspect and audit its books and records, as well as to authorize access to records of its account(s) with a financial institution.
  11. A support group shall maintain a conflict of interest policy no less stringent than that of the University (see Conflict of Interest Code: <http://www.ucop.edu/general-counsel/legal-resources/conflict-of-interest-code.html>) . Trustees, directors, officers, staff members and volunteers of a support group 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. Business transactions involving a support group and the personal or business affairs of any support group trustee, director, officer, staff member or volunteer shall be approved in advance by formal action of the governing body.

## B. Fundraising and Membership Dues Activities

1. A support group must be officially recognized by the Chancellor in order to conduct fundraising activities in support of the University's mission.
2. Before soliciting prospective donors, a support group shall submit the fundraising proposal and the related correspondence and documentation to the Dean or head of the benefited department, who, in turn, shall seek the approval of the Vice Chancellor with oversight of fundraising programs (or designee) and the Chancellor. The review will ensure that the proposed campaign activities are appropriate to the University's mission and not in conflict with other activities and campaigns. The approved proposal shall be reported to the campus office of support group operations. Non-tax-exempt organizations shall instruct donors to make gifts directly to The Regents or to the Campus Foundation. A tax-exempt organization with its own tax identification number, however, may accept and

acknowledge gifts in its own name. Under no circumstances may University funds or gifts made payable to The Regents or to any other University entity be deposited into a non-University bank account maintained by a support group.

3. Gift funds received by a tax-exempt support group that are intended to benefit the University, a campus, a department or a program must be transferred to The Regents or to the Campus Foundation at least quarterly, or at any time the gift account balance exceeds \$100,000. Gifts for an endowment must be transferred *within five working days*. A transfer of gift funds to The Regents or to the Campus Foundation shall be accompanied by a transmittal letter from the support group attesting to the original donor's explicit intentions, together with the original gift correspondence from the donor. The support group will maintain a copy.
4. A support group may not attach to a gift any additional terms, conditions or restrictions, reporting requirements, intellectual property rights, or other conditions without the prior written approval of the Chancellor. The University and/or the Campus Foundation retain(s) the authority to accept or reject gifts and transfers of funds from support groups.
5. A support group, whether tax-exempt or non-tax-exempt, shall not solicit or accept planned gifts, including gifts of trusts or life insurance and the like, or gifts of real or tangible personal property. All such gifts shall be made directly to The Regents or to the Campus Foundation. However, a support group may accept a bequest, on the condition that it shall immediately notify the General Counsel of The Regents upon receipt of the initial notice of such bequest. If the bequest is to be a qualified charitable contribution, it may be received only by The Regents, a Campus Foundation, or a tax-exempt organization. Bequest distributions for endowment purposes must be transferred to The Regents or to the Campus Foundation *within five working days*.
6. A support group shall not independently engage fundraising consultants or fundraising personnel. If consultants or fundraising personnel are deemed necessary by the Chancellor and by the governing board of the support group to assist with a particular campaign/activity, the support group shall arrange with the Chancellor for the University to engage such consultants/personnel, the full cost to be borne by the support group.
7. A fundraising campaign must conform to University policy and must receive prior written approval of the Chancellor using the same procedure described in IV.B.2, above.
8. A support group shall provide to the Chancellor an accounting record for each fundraising campaign, including revenues, expenses, and net income.
9. A tax-exempt support group shall not charge a gift processing fee or other fee.
10. Non-gift membership dues assessed by a support group on its members must be limited to a reasonable amount per individual per year, and the dues schedule must be reported to the Chancellor each year.

#### C. Continuing Education Courses



Accreditation of courses rests with the University; therefore, support groups shall not offer continuing education, credential, or in-service courses. Support groups may, however, assist in the administration of continuing education courses sponsored by academic departments, provided that all program financial transactions are handled through University accounts. Support groups may also offer general interest lecture series or seminars designed for the lay public, such as may be offered by a museum or arboretum support group.

## V. AUDIT FOR GROUPS WITH EXTERNAL ASSETS

Support groups with financial assets held external to The Regents and/or the Campus Foundation shall abide by the following provisions:

- A. The governing body of a tax-exempt support group with gross annual revenues less than \$200,000 shall provide to the Chancellor a copy of the organization's annual IRS Form 990 and financial statements concurrent with IRS filing.
- B. The governing body of a tax-exempt support group with gross annual revenues between \$200,000 and \$1,000,000 shall contract and pay for an annual review of its financial statements prepared by a reputable, independent accounting firm acceptable to the University. Such a review shall be completed within 180 days of the end of the fiscal year.
- C. The governing body of a tax-exempt support group with gross annual revenues in excess of \$1,000,000 shall contract and pay for an annual audit for the fiscal year. Such an audit shall be completed within 180 days of the end of the fiscal year and shall:
  1. Be conducted by the University's external auditors; or
  2. Be conducted by a reputable, independent accounting firm, in which case the letter of engagement with the support group shall have the express written approval of the Chancellor and the University Auditor; and
  3. Include an opinion on the financial statements of the support group prepared in accordance with generally accepted accounting practices as applicable to the support group and a supplementary statement from the auditors to indicate that the support group was in compliance with the Policy and these Guidelines; and
  4. Include a management letter addressed to the appropriate members of the support group's governing body conveying audit findings and recommendations, as well as management's response to the audit findings and recommendations; and
  5. Include any written communications with the support group's governing body pursuant to auditing standards.

- D. For campus foundations, the requirements of C, above are modified in that the referenced audit reports must be completed within 75 days of the end of the fiscal year to assure that these financial statements may be included in the University's Annual Report.

## VI. CHANCELLOR'S RESPONSIBILITIES

- A. The Chancellor is responsible for ensuring that adequate controls and processes are in place to determine that support groups are in compliance with the Policy and these Guidelines. Each recognized support group shall be notified in writing annually that compliance with these Guidelines and any University policies and campus regulations previously referenced herein are a condition of continued recognition.
- B. The Chancellor shall designate an official of the campus unit that benefits from the support group to ensure that the support group is in compliance with the Policy and these Guidelines, or may designate another campus official as having those responsibilities.
- C. Each campus shall determine the procedures necessary for a support group to be officially recognized, consistent with the Policy and these Guidelines. The Chancellor may require additional and more stringent guidelines than these Guidelines, but at no time may a campus adopt rules that effectively void or liberalize the Policy and these Guidelines.
- D. Each campus shall annually publish a list of all officially recognized support groups. The list shall be maintained in the campus office responsible for support group compliance.
- E. By February 15 of each year, the Chancellor shall forward to the President a support group report for the previous fiscal year. The report shall include a numerical summary of support groups in the following categories, as well as an annotated list with the names of the groups in each category, the dues schedule for each group, and comments as appropriate on the status of each group:
1. Entities in compliance or substantial compliance
  2. Entities in compliance but operating under exception agreements
  3. Entities with compliance pending
  4. Entities applying for support group status
  5. Entities pending dissolution
  6. Entities affiliated under an approved operating agreement
  7. Entities moving to an operating agreement
  8. Entities requiring support group determination
  9. Entities known to be out of compliance
  10. Total number of support groups

### Other Entities

11. Campus-administered programs
12. Inactive groups which may resume support group activities

- F. Each campus shall maintain a list of all support group accounts with financial institutions approved pursuant to Section IV.A.9. b. and c. above, and shall forward a copy of this list to the Director of Financial Controls and Accountability in the Office of the President by February 15 each year. The list must include all data elements outlined in Section II.B.6.
- G. Each campus shall establish procedures to de-certify a support group that is not in compliance with the Policy and these Guidelines.

## VII. EXCEPTIONS

At the request of the Chancellor, the President may consider an exception to these Guidelines based on a particular situation. However, no such exception shall void or liberalize the requirements for accounts with financial institutions to be approved pursuant to Section IV.A.9.b and c, above. The Chancellor shall recommend such an exception to the President in a letter that identifies the specific exception being requested and provides sufficient justification for approval.

## UNIVERSITY POLICIES AFFECTING SUPPORT GROUPS

The following policies specifically relate to support groups:

Policy on Support Groups, Campus Foundations and Alumni Associations, September 15, 1995:  
<http://regents.universityofcalifornia.edu/policies/5203.html>

Policy on Fundraising Campaigns, July 16, 1993:  
<http://regents.universityofcalifornia.edu/policies/5201.html>

Presidential Delegation of Authority to Chancellors -- To Approve and Conduct Fundraising Campaigns, May 26, 1994: [http://policy.ucop.edu/\\_files/da/da2018.html](http://policy.ucop.edu/_files/da/da2018.html)

Presidential Delegation of Authority to Chancellors -- Policy to Permit Use of the University's Name, May 3, 1985: [http://policy.ucop.edu/\\_files/da/da0864.html](http://policy.ucop.edu/_files/da/da0864.html)

Presidential Delegation of Authority to Chancellors -- Policy to Permit Use of the Unofficial Seal, May 3, 1985: [http://policy.ucop.edu/\\_files/da/da0865.html](http://policy.ucop.edu/_files/da/da0865.html)

Presidential Delegation of Authority to Chancellors -- To Solicit and Accept Gifts; March 23, 1994: [http://policy.ucop.edu/\\_files/da/da2011.html](http://policy.ucop.edu/_files/da/da2011.html)

Policy on the Requirement to Submit Proposals and to Receive Awards for Grants and Contracts through the University, December 15, 1994: <http://policy.ucop.edu/doc/2500500/ReqSubmitProp-Awar>

Policy for Handling Cash and Cash Equivalents (Business & Finance Bulletin BUS 49):  
<http://policy.ucop.edu/doc/3420337/BFB-BUS-49>

Conflict of Interest Code (<http://www.ucop.edu/general-counsel/legal-resources/conflict-of-interest-code.html>) – In accordance with the Political Reform Act of 1974, the University has adopted and promulgated the standard Conflict of Interest Code set out by the Fair Political Practices Commission (FPPC) in Title 2, California Code of Regulations, Section 18730. The University of California Conflict of Interest Code is approved by the FPPC annually. Once approved, the University's Code has the force of law.

National Collegiate Athletic Association (NCAA) Division I and Division II rules - If a campus is involved in NCAA competition, campus athletic support groups must follow NCAA rules regarding involvement and support of the campus athletic program. Support group members and all staff, faculty, alumni, friends and fans must observe the NCAA's strict rules to ensure fair recruitment and treatment of prospective and current student-athletes. Any violation of NCAA rules may jeopardize the status of a prospective or current student-athlete and may result in NCAA sanctions against the campus's athletic program.

**APPENDIX I****CASH-HANDLING PROCEDURES FOR SUPPORT GROUPS**

All support groups with accounts maintained by the University or the Campus Foundation shall comply with the Policy for Handling Cash and Cash Equivalents (BUS 49).

Each support group that maintains an account with any form of 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 Chancellor (or designee) to hold a specific account.
2. Obtain and maintain its own taxpayer identification number.
3. For non-tax-exempt organizations using an outside bank account, establish only a single demand-deposit (i.e., checking) account.
4. For tax-exempt organizations, limit outside bank accounts to two demand-deposit (i.e., checking) accounts at a single financial institution, one exclusively for membership dues transactions, if appropriate; the second for receipt of gifts and non-membership related transactions. 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 the 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 Support Groups (Sections IV.A.4 and IV.A.9).
5. Maintain a written record of authorized check signers. Such authorizations shall be approved by the governing board (if any), and any changes to the list of authorized signers shall be made 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 or 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 cash receipting and depositing procedures.
9. Require two signatures on all checks in excess of \$1,000.
10. Establish a mechanism to recognize in a timely manner when accumulated cash meets the requirement for transfer to the University.

**APPENDIX II-A**

***Sample Letter to the Chancellor from a Support Group***

To: Chancellor *X* (or designee)

From: [*X* Support Group]

This letter and the attached exhibits constitute the annual report to the Chancellor (or designee) for fiscal year 20XX-XX (or calendar year 20XX) from the [*X* Support Group] to confirm compliance with the University of California Policy on Support Groups, Campus Foundations and Alumni Associations approved by The Regents on September 15, 1995 (hereafter “the Policy”), as amended, and the Administrative Guidelines for Support Groups issued December 18, 2003, as amended.

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. (*The first year, the filing must contain a complete copy of 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. (See Appendix II-B)

**For a separately incorporated tax-exempt organization:**

Attached as *Exhibit 7* is a copy of the organization’s most recent Internal Revenue Service Form 990 and annual financial statements.

The current members of the Board of Directors (or governing body) for the [X Support Group] have been provided 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 of the University of California and the Office of the President.

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

The [X Support Group] understands that compliance with the University’s 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 Chancellor (*or designee*).

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

[X Support Group]

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibits are to be attached to this letter.

**APPENDIX II-B**

**Exhibit 6**

***Statement Authorizing  
The Regents of the University of California  
to Obtain Confidential Bank Account Information***

We, \_\_\_\_\_ and \_\_\_\_\_, as \_\_\_\_\_ (title) and \_\_\_\_\_ (title), respectively (the principals), of the [X Support Group], authorize agents of The Regents of the University of California to receive, upon written request, records and photocopies of confidential bank information from financial institutions for any and all accounts held under the name of the [X Support Group].

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_