



## **UC San Diego Foundation**

### **UC SAN DIEGO FOUNDATION POLICY AND PROCEDURES FOR ADMINISTRATIVE FEE ASSESSMENT ON NON-CASH, UNPOOLED GIFTED ASSETS**

#### BACKGROUND

Non-cash gifted assets include, but are not limited to, real property, notes receivable, tangible personal property, trusts and non-marketable or restricted securities; all of which may require a substantial amount of administrative time and expense. In order to recoup a portion of these expenses, an administrative assessment is imposed on the non-cash assets.

#### GENERAL POLICY

Effective July 1, 1987, all non-cash, unpooled assets held by the UC San Diego Foundation (Foundation) will be assessed an administrative fee (to be reviewed and revised annually, as necessary).

#### PROCEDURES

1. Fee Assessment

At the end of each quarter, the Foundation will accrue a fee of 1% per annum on the original value of all non-cash, unpooled gifted assets administered by the Foundation. The accrual will establish a liability of the respective fund to the Foundation Operating Fund, which will be paid either out of the current income, if any, of the specific asset or proceeds of the specific asset upon its sale or disposition.

2. Fee Maximums

The cumulative amount of this fee, when combined with the UCSD Gift Fee (PPM 410-3), shall not exceed 10% of the lesser of original value or net realizable value at the time of disposition. This fee shall be paid after the UCSD Gift Fee is paid to The Regents and will be in addition to direct costs paid to third parties.

3. Exemptions

Assessments will be deducted from earnings in cases where certain naming or fund minimums must be met.

4. Informing Donors of Administrative Fees

Donors shall be informed of the Foundation's policy with respect to the imposition of the administrative fee.

5. Transfer Assessed Amounts to UCSD

As the administrative assessments are collected on sold or matured assets, the collections will be combined with the excess earnings of the current fund and transferred to the campus to offset the Foundation's annual operating expenses; any excess therefrom will be added to the endowment for same.