

**University of Florida Foundation, Inc. (UFF)
Due Diligence**

Policy #: 1.08
Policy Type: Board
Responsible Committee: Governance
Department: Operations
Effective Date: April 19, 2024

1. PURPOSE

This policy governs how staff evaluate UFF and Advancement activities and make decisions to ensure that risks are adequately considered, that decisions are consistent with the stated priorities of the University of Florida, and that decisions are made in cooperation with appropriate stakeholders.

This policy is partly aspirational, to support a culture of shared and careful decision making, and partly concrete, to create a method for due diligence without stifling innovative, forward-thinking, creative ideas.

2. APPLICABILITY

This policy applies to most decision-making activities at Advancement. It applies to activities that are routine as well as those that are not routine, and it applies to all activities that are novel, complex, potentially carry elevated risk, require significant staff or financial resources, impose or require significant obligations or compliance efforts, or are not clearly consistent with the stated priorities of the University of Florida.

3. POLICY

This policy requires that the activities described below be presented to the Due Diligence Committee for consideration to ensure that appropriate due diligence is performed. The Committee's actions will range from providing input or recommendations, to approving standard processes for common activities, to approving specific activities when authorized (such as when the Committee acts as the Real Estate Team).

Due to the wide number of activities presented to the Committee, it is not possible to have a single, standard due diligence process. However, the Committee will develop and use a standard approach to describing, assessing, acting, and documenting its work, actions, and recommendations, keeping in mind the purpose of this policy as described above.

By incorporating this policy into the management culture and using the Committee as a resource, Advancement staff will have a structured and consistent approach for identification and assessment of issues prior to undertaking an activity.

The Committee will approve standard due diligence processes to be employed when conducting the following activities:

- Appointment of board or committee members
- Contracts for services
- Confidentiality of data
- Application of the UF Namings and Memorials Policy
- Risk management

Once the Committee approves a standard due diligence process for an activity, Advancement staff must employ that process when engaging in the activity. If there is cause for deviating from the standard process, Advancement staff must present the item to the Committee for consideration.

Advancement staff must present the following individual activities to the Committee for consideration:

- Activities related to vetting prospects and namings
- Activities assigned to the Gift Acceptance Team in accordance with Policy 2.12 (Gift Acceptance)
- Activities assigned to the Policy Committee in accordance with Policy 3.01 (Policy Development and Management)
- Activities assigned to the Real Estate Team in accordance with Policy 3.07 (Interests in Real Property)
- Activities assigned to the Advisory Committee under Policy 5.07 (Additional Gift Vehicles)
- Any other activities deserving consideration, especially those that are novel, complex, potentially carry elevated risk, require significant staff or financial resources, impose or require significant obligations or compliance efforts, or are not clearly consistent with the stated priorities of the University of Florida

The lead Advancement staff member working on an activity subject to this policy is responsible for bringing the matter to the Committee at the appropriate time (e.g., before commitments or expectations become established). Staff may wish to confer with the Committee about the timing.

The lead staff member will present the activity in accordance with the Committee's prescribed format, which will include questions about risk, due diligence already performed, and alignment with the University's stated priorities. After the Committee has considered an activity, its action will be documented in a consistent manner, indicating the specific action taken (e.g., review and input, recommendation to leadership, approval/denial).

The Committee will convene monthly and as needed, and will include participants from throughout Advancement, as well as representation from the University's Office of General Counsel.

4. **CLARIFICATION**

Requests for clarification of this policy should be sent to UFF-PolicyAdmin@uff.ufl.edu.

Certified as approved by the UFF Executive Board on April 19, 2024.

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