The UC San Diego Gift Fee: A Broader Context

At UC San Diego we believe it's important to keep our operating costs as low as possible. We strive to do so in the interest of our students, our faculty, and of course the donors who contribute to our mission. Our fundraising expenses are below national averages for nonprofits, and an in-depth analysis of 10 top-ranked universities similar to UC San Diego revealed that we spend less for every dollar raised.

Dramatic cuts in funding from the State of California have compelled us to make some significant changes in the way we operate. Our administration has worked hard to consolidate central operations and make the most of new technology that streamlines the way we do business. We have partnered with philanthropists and business leaders to increase the role of private support in our research and education. And we have amplified the visibility of our world-class medical system.

Yet we will not compromise on the quality of education, research, and clinical care provided by UC San Diego. This university rose to become one of the top 10 public universities in the United States a mere 50 years after founding. It did so because our founders created a space where the best researchers and scholars could pursue ideas across disciplines and in collaboration with equivalently gifted peers. Our ability to recruit the best thinkers in all disciplines is the cornerstone of our excellence.

To distribute fundraising expenses among all programs that receive philanthropic support, UC San Diego assesses a flat one-time 6% fee on all gifts. This small assessment helps assure that our academic departments are not impacted by our increasing need to invest in raising private support.

Every nonprofit organization must cover its administrative costs. Unlike most nonprofits, who typically must deduct a higher percentage from private support, we can assure that 94% of every donor's gift goes to the area or program selected by the donor. By sharing other university revenue sources, such as the overhead earned on government grants, we can hire accountants, IT technicians, and maintenance staff while applying nearly all of each donor’s gift to the program she or he chooses to support.

Our academic deans and administrators face a daunting responsibility. They must continue to recruit and retain the best thinkers in the world. They must also reframe the university business model in response to dwindling state support, now only 7% of total operating revenues. And they must provide an education to students that is as affordable as possible.

We ask you, our donors, to consider the 6% gift fee in light of these challenging circumstances. We are incredibly grateful for your support, and we take it as our charge to leverage your investment by reaching out to others. Thank you for your faith in our mission, and thank you for partnering with UC San Diego as we build a sustainable model for the finest education in the world.