



# **University of Hyderabad**

## **ENDOWMENT POLICY**

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## **1. Preamble**

The University of Hyderabad, established under the University of Hyderabad Act, 1974 (Act No. 39 of 1974), and audited by the Comptroller and Auditor General of India (C&AG), is committed to excellence in teaching, research, innovation, public engagement, and social impact. Its operations are predominantly funded through grants from the Government of India and with limited internal revenues.

To enhance financial sustainability and support critical academic, research, infrastructure, and student-centric initiatives, the University has established the University of Hyderabad-Endowment Fund (UHEF), in accordance with the Ministry of Education's guidelines. The UHEF shall receive domestic and foreign contributions—cash, kind, assets, securities, and bequests—from eligible donors, including individuals, alumni, corporations (including CSR contributors), foundations, trusts, governments and philanthropic organisations.

All donations shall be used strictly in accordance with the donor's intent and the UHEF Policy. Surpluses remaining after meeting the designated purpose shall form part of the broader UHEF corpus and no refund is made.

### **Income Tax and Statutory Exemptions**

The University holds the following statutory exemptions enabling donor tax benefits:

- **Section 80G(2)(a)(iiif)** – 100% exemption for donations to the University.
- **Section 10(23C)** – approved as a government-financed educational institution.
- **Section 12AA** – registration as a charitable institution.
- **FCRA Exemption (S.O. 459(E), 30.01.2020)** – exempt from all provisions of the Foreign Contribution (Regulation) Act, 2010.

Furthermore, all tax compliances and exemptions are subject to the applicable tax laws of the Government of India, as amended from time to time.

The University shall conduct due diligence on all donors and sources of funds before acceptance.

## **2. Purpose**

This Policy outlines the governance framework for:

- Sourcing and classification of donations;
- Establishing, documenting, investing and administering endowment funds;
- Ensuring transparency, accountability, and compliance with donor intent and applicable laws;
- Enabling responsible stewardship by the University, its units, and designated committees.

The Finance & Accounts, Alumni Cell, Corporate Relations Cell, office of the Registrar and other administrative units shall jointly manage procedural aspects concerning acceptance and stewardship of endowments and report to the designated Managing Committee.

### **3. Definitions**

#### **Donation:**

A voluntary and irrevocable transfer of cash, kind, assets or securities with no direct or indirect personal benefit to the donor. Donations may be:

- **Structured:** with specific conditions or purposes.
- **Unstructured:** without specified conditions.

#### **Endowment:**

A conditional donation made for long-term investment or utilisation in accordance with donor intent. Endowments may require the principal to be maintained in perpetuity, with only interest/income being utilised.

#### **Donor:**

Any individual or entity contributing to the University, including industries, foundations, trusts, MNCs, alumni, faculty, staff, students, governments, companies (including Section 8 companies), partnerships, LLPs, and other philanthropic organisations.

### **4. Modes of Donation**

#### **4.1 Monetary Donations**

- Accepted through demand drafts, electronic transfers (RTGS/NEFT/IMPS/UPI), cards, recurring payments or forex transfers.
- Physical cash shall not be accepted.
- Donations received by any unit must be forwarded immediately to the Finance & Accounts Department for accounting and issuance of receipts.

#### **4.2 Donations-in-Kind**

- Include land, buildings, equipment, books, consumables, furniture, artworks, archival materials, and other assets.
- Valued by a **Valuation Committee** constituted by the Registrar/Dean concerned, using internal experts and external experts when necessary.
- Assets must be non-obsolete, in good condition, and beneficial to the University.

- All such assets must be recorded in the respective unit's **Asset Register** and communicated to the Finance Officer along with all related documents including valuation report, if any.

#### **4.3 Donation of Securities**

- Includes listed shares, mutual funds, or other marketable securities.

#### **4.4 Pledged Donations (Bequests)**

- Future commitments through wills or trust instruments with documented donor intent.

#### **4.5 CSR Contributions**

- Companies may contribute under CSR, subject to applicable law and this Policy.

#### **4.6 Other Donations**

- Any special-purpose donation may be accepted with the approval of the Vice-Chancellor (VC).

### **5. Categories of Endowment and their Utilisation**

#### **5.1 General Endowment Fund:**

Unrestricted contributions supporting University-wide academic, infrastructural and cultural development.

*Endowments received under this category will be utilised as per the requirements of the University from time to time at the discretion of the Vice-Chancellor of the University.*

#### **5.2 Research & Development Endowment:**

Funding for research, innovation, equipment, publications, patents, conferences, laboratories, and traditional knowledge systems.

*Endowments received under this category will be utilised for a common purpose, as required. The Research fund will be used for specific research areas identified by the University or prioritised by the Government where there is a need for research with no sources of funding, with defined benefits for the educational sector or societal benefits, etc. All proposals to utilise the endowed amounts under this category should mandatorily be recommended by the R&D Cell. However, the objective for allocating money under this head shall be to achieve greater benefits at a lower cost. Furthermore, a periodic review of the research and its timelines will be conducted by the R&D Cell,*

*in consultation with an external expert. Allocation will be made in instalments based on the progress of the research.*

### **5.3 Student Endowment Fund:**

Scholarships, fellowships, awards, welfare programmes, and academic-related support for students, as well as funding for conferences and international participation.

*Endowments received under this category will be utilised for student-related activities only.*

### **5.4 Donor/University-Specific Endowments:**

Specially tailored endowments established as per donor preference and University priorities, including named Chairs.

*Endowments received under this category will be utilised strictly in accordance with the donor's preference and the University's accepted norms. Wherever an MoU is required shall also be initiated.*

### **5.5 CSR Funding:**

Corporate Social Responsibility (CSR) funding is received from various stakeholders, drawn from their profits, to support social and environmental initiatives.

*Endowments received under this category will be utilised strictly in accordance with the donor's preference, following the specified timelines, if any. All proposals to utilise these funds must be **routed through the Corporate Relations Committee (CRC)** in accordance with the circulars and procedures to be notified by the CRC.*

**One per cent of all endowments received shall be earmarked for operational expenses. F&A may take appropriate action as needed and maintain the fund separately.**

**Notwithstanding the above, the University reserves the right to utilise all categories of endowments as per its specific requirements at the discretion of the UHEF and/or due to the approval of the Vice-Chancellor, UoH (Chairman, UHEF)**

## **6. Unacceptable Donations or Endowments**

The University shall not accept contributions that:

- Contradict its academic values or autonomy;
- Impose discriminatory or unethical conditions;
- Restrict future fundraising;
- Require violation of laws or University norms.
- With anticipated gain or benefits

- Conditional donations or endowments
- Seeking intervention or control over the university's activities.

If such concerns arise post-acceptance and funds remain unutilized, the University may refund the donation and remove donor recognition if the donor is found to be guilty of misconduct.

## **7. Minimum Contribution Requirements & Refunds**

### **Minimum Contribution:**

- General Endowment Fund: ₹1,000
- Student Endowment Fund: ₹1,000
- Research & Development Fund: ₹1000

The above minimum thresholds may be revised by the University as needed.

### **Funds where prior approval is needed for:**

- Donor/University-Specific Fund
- CSR Funds

### **Refunds**

**No amount of donation received under any category of the Endowments will be refunded under any circumstances, once the same is physically received in the University's bank account.**

## **8. Establishing and Administering Endowments**

### **8.1 Acceptance**

- All donations shall comply with this Policy.
- Fundraising shall be monitored by the **UHEF Management Board** and facilitated by the **Corporate Relations Committee (CRC)** and **Alumni Cell (AMC)**.
- All receipts must be deposited into the designated University account identified by the Finance Officer.
- Activities involving CSR or fundraising must be approved by the VC.

### **8.2 Documentation**

- Endowments must be established within the University's financial system.
- Written documentation detailing the terms of utilisation and donor conditions is mandatory.
- The Registrar shall maintain all legal documents, securities, wills, deeds and agreements.

### **8.3 Donor Records**

- From an Accounting perspective, the Finance & Accounts Department shall maintain centralised donor and endowment records, including tax documents, if any, and their periodical utilisation.

## **9. Legal Compliance**

- Donors are solely responsible for tax, estate and legal planning related to their contributions.
- All donation documents shall carry a statement advising donors to seek independent legal/tax counsel.
- The University shall provide all support required for statutory compliance.

## **10. Donor Interface**

- The Alumni Cell and the Corporate Relations Committee shall serve as the primary liaison units with donors.
- Acknowledgements shall be issued within **five working days**.
- Centralised records to be maintained by the alum cell in consultation with finance & accounts.
- Donor information shall remain confidential except for recognition or tax compliance purposes.
- Donor recognition programmes may be instituted in accordance with university norms.

## **11. Utilisation, Governance and Compliance**

### **11.1 Governance Structure**

- The **UHEF Management Board**, chaired by the VC, shall oversee the Fund's governance, investment, utilisation and reporting.

### **11.2 Policy Framework**

- The Board shall frame rules for receipt, investment, allocation, utilisation, reporting and risk management of the UHEF.

### **11.3 Audits**

- UHEF accounts are subject to:
  - Internal Audit as per the University Purchase Policy & Procedures (UHPPP).
  - Statutory Audit by the C&AG.

### **11.4 Reporting**

- Annual reports on receipts and utilisation shall be submitted to the UHEF Management Board, Finance Committee and subsequently to the Executive Council.
- Key information shall be published in the University's Annual Report and on the University website.

### **11.5 Investment**

- Investments shall follow the University's investment policy and broader guidelines of the Government of India, wherever applicable.

### **11.6 General Utilisation Principle**

- Specified Funds shall be used strictly in accordance with donor instructions, and unspecified funds shall be used in accordance with UHEF priorities.
- All proposals for utilisation must be routed through the Internal Audit Officer and Finance Officer and require the **approval of the VC**.

### **11.7 Departmental Responsibilities**

- Heads, Deans, Chairs and beneficiaries must ensure full compliance with donor conditions.
- All transactions must be appropriately documented, justified and approved in accordance with UHPPP delegations.

### **11.8 Surpluses and Deficits**

- Departments must monitor balances to avoid deficits and prevent undue accumulation of unutilized surpluses.

### **11.9 Modification of Endowment Terms**

- Terms may be modified only with the donor's written consent in case of specified funds and the VC's approval. In Other cases, the VC is the competent authority to modify the endowment terms.

## **12. Disposal of Donated Assets**

- All assets received through donations or endowments shall be accounted for as per the University's Asset Management Policy.
- Assets shall **not** be returned to donors.
- Depreciation shall be recorded in accordance with accounting norms.

- Disposal of assets acquired under UHEF shall follow the University's disposal procedures, and proceeds shall be credited back to the appropriate endowment category or create a new category if necessary.
- Refund of donations is permitted only under the circumstances specified in Section-6.

**This Endowment Policy shall apply prospectively to all new donations and to existing endowments unless incompatible with donor-stipulated purposes.**