



BOISE STATE UNIVERSITY

University Policy 5100

Sponsored Projects and Charitable Gifts

Effective Date

May 2013

Responsible Party

Vice President for Research and Economic Development, (208) 426-5372

Vice President for University Advancement, (208) 426-3276

Vice President and Chief Financial Officer, (208) 426-1000

Scope and Audience

This policy applies to all employees involved in the process of securing and administering external funds in the form of gifts or sponsored projects.

Additional Authority

- State Board of Education Policy, Section V.E.
 - Memorandum of Understanding Between the Boise State University Foundation and Boise State University
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1. Policy Purpose

To distinguish between external funding as charitable gifts or sponsored projects and outlines where responsibility lies for the administration of funds based on the category to which the funds belong. To address external funding received in the form of gifts or sponsored projects. To define responsibilities and provide guidance for the appropriate administration of funds for the purpose of regulatory compliance, stewardship, institutional reporting and responsibility to the funder.

2. Policy Statement

Boise State University secures external funding from a wide variety of sources and for many different purposes. With the variety of mechanisms by which funding for sponsored projects and charitable gifts is sought, it can be unclear whether responsibility for the administration of awarded funds should rest with the university or with the Boise State University Foundation (the Foundation).

3. Definitions

3.1 Sponsored Project

A grant, contract, cooperative agreement, sub grant, subcontract, consortium agreement, purchase order, or memorandum of understanding (hereafter collectively referred to as a “sponsored project”) that formalizes the transfer of money or property from a sponsor in exchange for specified activities (e.g., research and development, instruction, public services etc.), and may require specific deliverables such as detailed financial and/or technical reporting by the recipient. Performance is usually to be accomplished within a specified time frame, with payment subject to revocation. It may include provisions related to intellectual property and publication rights. The University’s Office of Sponsored Programs in the Division of Research and Economic and Development is responsible for accepting and administering sponsored projects.

3.2 Sponsors

Entities awarding sponsored project funds.

3.3 Charitable Gift

A voluntary transfer of money, services, or property from a donor without expectation of a direct economic benefit or provision of goods, services, technical or scientific report(s), or intellectual property from the recipient. There is no implicit or explicit statement of exchange, purchase of services or provision of exclusive information. Gifts are those transactions that involve a true philanthropic intent. Gifts are solicited by, or with the support of, University Advancement and received and administered by the Boise State University Foundation.

3.4 ‘Sponsor’ or ‘Donor’

All governmental entities, including flow through from those entities, are sponsors. Private-sector entities (Individuals, private foundations, corporate foundations, corporations, private agencies, professional associations) may be either donors or sponsors depending on the terms and conditions imposed on the funds.

4. Responsibilities and Procedures

4.1 Roles and Responsibilities

The Foundation, University Advancement and the Office of Sponsored Programs share responsibility for making decisions as to whether external funding should be administered by the University or the Foundation. This decision may be made at any time in the proposal submission, award review, or project management process.

- a. Office of Sponsored Programs (OSP): The OSP reviews and approves sponsored project proposals submitted to sponsoring agencies. All sponsored project agreements are negotiated and administered by the OSP which ensures all sponsored projects are administered according to University, Federal, State of Idaho and other sponsors' policies.
- b. University Advancement: University Advancement coordinates all solicitation of gifts on behalf of the university (University Policy #11010). University Advancement cultivates and stewards university relationships with funders which are mutually beneficial so as to encourage greater partnerships. Whether each instance of external support is a sponsored project or a gift, preserving the relationship with the funder is of paramount importance. Gift agreements are negotiated by University Advancement. It is the responsibility of University Advancement, in cooperation with the Foundation, to ensure that gifts are expended according to donor intent and the terms of the gift agreement.
- c. Boise State University Foundation: Where the Foundation is responsible for compliance with the funder's requirements, the Foundation should review and approve all gift proposals, applications and terms and conditions before submission to the funder. To the extent such gift agreements are administered by the Foundation, the Foundation should ensure that they are administered according to the terms and conditions of the gift, Foundation policies, and the applicable terms and conditions set forth in the Memorandum of Understanding between the Foundation and the University.

4.2 Characteristics of Sponsored Projects and Gifts

Determining whether external funding for an activity or project should be administered through by the OSP (as a sponsored project) or the Foundation (as a charitable gift) depends on many variables. Though a sponsor or donor may use terms like "grant" or "philanthropic gift" in the funding document, the classification of the funds is determined by using the following criteria as a guide; classification should be determined by evaluating the characteristics in their totality rather than focusing on any single characteristic.

4.2.1 Sponsored Projects – Characteristics

- a. The award is made by a governmental or quasi-governmental agency.
- b. The award is from a private-sector sponsor that provides a subcontract or sub grant containing federal “flow down” provisions, i.e., federal, state or other governmental fiscal compliance policy governs the project.
- c. The award is from a private-sector entity (including individuals) for the work of a specific faculty member(s), and requires the completion of programmatic objectives within a specific budget and time frame.
- d. The sponsor places restrictions on publication of data resulting from the work. This could include requirements that the sponsor review manuscripts, talks, etc., prior to submission for publication or presentation, and the potential for delays in publication or presentation until intellectual property can be protected.
- e. The sponsor requests proprietary rights in data or inventions resulting from activities conducted under the agreement. This would include any reference to licensing options or arrangements for patents and/or copyrights developed during the work.
- f. Studies are to be conducted on substances, processes or products, etc. owned by the sponsor.
- g. The sponsor requires detailed invoices.
- h. The sponsor may refuse payment, impose penalties, and/or revoke the award.
- i. The sponsor includes a provision for audits by or on behalf of the funding source.

4.2.2 Charitable Gifts – Characteristics

- a. Philanthropic intent.
- b. Detailed financial reporting or accounting is not required, although a donor may request progress and final reports about utilization or impact of the gift, including general expenditures and fund balances.

- c. Although the donor intends the gift to be philanthropic and irrevocable, if the funds are not used for the intended purpose within the specified period of time as stated in the gift agreement, the donor may request that a portion or the entire gift be returned.
- d. The donor does not retain any reversionary interest or cannot be expected to receive any material deliverable from the act of donating funds. A deliverable is a tangible product or service resulting directly from the use of funds for which the original payor of the funds will receive a material, tangible benefit to which they would not otherwise be entitled, such as intellectual property or technical/scientific reports prior to their availability to the public.

4.2.3 Resolution of Special Cases

In cases where it is unclear whether a project or activity should be administered as a sponsored project or a charitable gift, the OSP, University Advancement, and the Office of General Counsel will assist the university community correctly identify the entity responsible for administering the funds.

4.3 Other Considerations

- a. The non-payment of facilities and administrative costs (also called indirect costs or overhead) is not a factor in determining whether the award is a sponsored project or a gift. Both sponsored projects and gifts can be either solicited or unsolicited.
 - b. If charitable gift supported activities that require oversight with regard to animal, human subject, controlled substances or biohazards, the project will be administered as a sponsored project.
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Last Review Date

October 2020