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Washington State*

**MEMORANDUM**

**Date:** December 21, 1995

**To:** Development Directors  
Development Coordinators

**From:** Greg Sheridan *GS*

**Re:** Sponsored Projects and Gifts Guidelines

Attached is your copy of the Guidelines for Determining Sponsored Projects or Gifts. These guidelines are the product of a joint effort between the Office of the Vice Provost & Dean of the Graduate School, OGRD and the WSU Foundation.

Please become familiar with these guidelines and share them with your staff. If you have any questions, you may call me at 335-6686. Thank you.

**cc:** Bob Smith  
Carol Zuiches  
Connie Kravas  
Tom George  
Bill Rayburn  
Bennie Harris

GS/nf

## **Guidelines for Determining A Sponsored Projects or Gifts at Washington State University**

This document contains definitions for sponsored projects and gifts at Washington State University (WSU). Special care should be taken in determining whether a project is a sponsored project or a gift. The distinctions help to define WSU's legal obligations and liabilities and are important for all personnel from faculty to professionals working in the Office of Grant and Research Development (OGRD) and the WSU Foundation.

### **SPONSORED PROJECTS**

A proposal for external support, including all proposals involving federal funds, must be processed through OGRD if any of the following conditions are included in the terms of the agreement. The presence of any the following factors distinguishes the resulting award from a gift and classifies the project as a sponsored project:

1. The proposed work binds the University to a specific line of scholarly or scientific inquiry which requires either a work statement or an orderly testing of specific hypotheses, methodology, or validation of particular approaches.
2. A specific commitment is made regarding the level of personnel effort or items of output, (e.g., publications of papers or reports), or if achievement of specific performance targets as a condition of obtaining sponsorship.
3. A line item budget detailing expenditures by activity, function, and project period is required as a condition of funding and a detailed fiscal or activity report or external audit is required at intervals during the course of the work an/or at the end of the project period.
4. Any unexpended funds must be returned to the sponsor at the end of the project period.
5. The proposed agreement with the sponsor provides for the disposition of either tangible properties (e. g., equipment, records, technical reports, theses or dissertations), or intangible property (e. g., rights in data, copyrights, inventions) which may result from the activity.

In addition, any sponsored project proposal or solicitation of gifts which support activities involving the following conditions must also be reviewed by OGRD for relevant approval, to ensure compliance with University policies and external requirements:

- human subjects
- laboratory animals
- radiological hazards
- biohazards, or
- recombinant DNA
- conflict of interest

Sponsored projects solicitations are coordinated through department and deans' offices. The OGRD should be contacted for procedures applicable to sponsored projects solicitations. If none of the above listed characteristics of a sponsored project are present, such awards may be treated as gifts rather than as sponsored projects.

## **GIFT-FUNDED ACTIVITIES**

Gifts to WSU Foundation do not include any of the factors listed in the definition of sponsored projects, and they are not processed through the OGRD (unless they involve use of human or animal subjects, or hazards requiring review and approval).

Gifts are administered by the WSU Foundation and have one or more of the following characteristics:

1. The award is from a private individual.
2. The award is from a non-governmental source and is either for "brick and mortar" or for the University's endowment.
3. The donor specifically intends the award to be a charitable gift as reflected by the characteristics of the award instrument.
4. The conditions or stipulations placed on the intended use of the award are reasonable and serve to direct the funds to areas such as scholarships, bricks and mortar, or general research support of specific interest to the donor.
5. The donor intends the gift to be irrevocable and, therefore relinquishes the right to reclaim the gift or any unused remainder.
6. The donor makes the gift to the University without expectation of direct economic benefit or other tangible benefit commensurate with the worth of the gift. Indirect benefits such as tax advantages, business or personal goodwill derived from close association with the University, and the miscellaneous benefits derived from the donor club status are not sufficient to negate gift intent.

Gift solicitations should be coordinated with the appropriate Development Officer in each College or equivalent unit. The WSU Foundation office should be contacted for procedures applicable to gift solicitations.