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**University of Pittsburgh
Gifts that Support Projects
Policy [insert #]**

Implementing Executives: Senior Vice Chancellor for Philanthropic and Alumni Engagement;
Senior Vice Chancellor for Research
Responsible Units: Office of Philanthropic and Alumni Engagement; Office of
Sponsored Programs
Category: [insert]
Effective Date: [insert]

I. Statement of Principles

To further the University of Pittsburgh’s (“University”) mission in education, research, scholarship, and service, the University may accept and process Gifts that support Projects according to standards stipulated in this Policy and other relevant University Policies, including the University’s Policy on Gift Acceptance and Naming (“Policy AO 45”). This Policy is intended to reinforce the University’s mission and is guided by the following principles:

- The University welcomes voluntary Gift support for Projects that advance and align with its mission and goals;
- The University accepts funds given in support of its mission and goals, and respects the wishes and intent of the Donor(s);
- The University values its relationships with Donors, and endeavors to steward those relationships effectively to support ongoing giving;
- The University will provide clear guidelines to ensure that Projects can be implemented efficiently, including preliminary review of issues that need to comply with other University policies and procedures and with applicable law; and
- While a Gift will typically support a particular line of enquiry, teaching, or programing, the University will not accept Gifts that result in constraints opposite of University policy, including Policy AO 45 and the University’s Statement on Academic Freedom.

II. Scope

This Policy applies to all Gifts that support Projects at the University.

III. Definitions

- A. Deliverable: Quantifiable goods or services that must be provided upon the completion of a project.
- B. Donor: An individual, foundation, corporation, or other entity that makes a Gift to the University.

- C. Gift: A charitable contribution as defined by the Internal Revenue Service (“IRS”), which is generally a charitable contribution for the use of the University made voluntarily and for charitable purposes, without the Donor receiving, or expecting to receive, anything of equal or greater value in return.
- D. Indirect Costs: Carrying out projects typically incurs specified direct costs for faculty, staff, postdoctoral researchers, equipment, supplies, and other appropriate costs. Other costs such as space and administrative costs may be attributed to a project and budgeted as specified indirect costs or accounted for as a percentage of the total direct costs. In federal grants and contracts these are referred to as facilities and administration costs.
- E. Nonspecific Gift Grant: a grant received by the institution that did not result from a specific grant proposal. The institution does not commit specific resources or services and is not required to report to the donor on the use of the funds.
- F. Principal Investigator or PI: The individual(s) recognized by the University to have the appropriate level of authority and responsibility to direct the project or program to be supported by the award. The University may recognize multiple individuals as program PIs who share the authority and responsibility for leading and directing the project, intellectually and logistically. When multiple PIs are named, each is responsible and accountable to the official(s) at the University, or as appropriate, to a collaborating organization for the proper conduct of the project, program, or activity including the submission of all required reports. The presence of more than one PI on an application or award diminishes neither the responsibility nor the accountability of any individual PI.
- G. Project: An initiative with a scope of work that results in measurable outcomes.
- H. Specific Gift Grant: a grant received by the institution resulting from a grant proposal submitted by the institution. The institution commits resources or services as a condition of the grant, and the grantor often requests an accounting of the use of funds and of results of the programs or projects undertaken.

IV. Policy

A. Classification of Externally Funded Projects

Pursuant to the below characteristics, the Vice Chancellor for Sponsored Programs and Research Operations and the Vice Chancellor for Corporate and Foundation Relations are responsible for classifying a specific project as either a “Sponsored Project” or a “Gift Supported Project” to ensure the effective administration of funds from third parties wishing to support a University Project(s).

a. Sponsored Project Characteristics

A Project may be funded from private sources of a broad range of types, but if it primarily meets the following characteristics it is considered a Sponsored Project:

1. Funds are awarded in response to a formal proposal submission, generally led by a member of the faculty as primary or lead investigator;
2. The funding is conditional and/or revocable;
3. The funder receives some Deliverable of potential commercial benefit, e.g., rights to intellectual property, hardware, software, samples and materials, and/or data;
4. Use of the funds is governed by written sponsorship guideline or policies; or
5. Funds are restricted for a detailed purpose that requires adherence to –
 - a. A specific statement of work and commitment to a specified Project plan;
 - b. A detailed Project methodology, e.g., a series of experiments to test a particular hypothesis or support to perform a particular activity;
 - c. A line-item budget, the tracking of which is key to financial accountability;
 - d. A specified period of performance in which Project funds will be expended, usually defined with start and end dates; and
 - e. The Project requires unexpended funds to be returned to the sponsor at the end of the Project period.

b. Gift Supported Project Characteristics

A Project may be funded from private sources of a broad range of types, but if it primarily meets the following characteristics it is considered a Gift Supported Project:

1. The contribution can support research if the intentions are charitable, but the Donor may not –
 - a. Derive potential commercial or private benefits from research
 - b. Have rights to any resulting intellectual property
 - c. Have right of first refusal to any research outcomes;
2. The agreement documenting the contribution may be binding or non-binding, depending on the purpose;
3. The Gift, once made, must be irrevocable for all Donors except private foundations, who are allowed to include provisions in their agreements for the return of unspent funds;
4. The agreement with a private foundation that documents a charitable contribution may use the term grant or gift;
5. Periodic progress reports and financial reports related to the Project are allowable.

c. Determination

The Vice Chancellor for Sponsored Programs and Research Operations (or as otherwise titled) and the Vice Chancellor for Corporate and Foundation Relations (or as otherwise titled) shall each determine whether external funds should be classified as either a Sponsored Project or a Gift Supported Project, and consult with each other as needed. If the Vice Chancellor for Sponsored Programs and Research Operations and the Vice Chancellor for Corporate and Foundation Relations are unable to make a clear determination as to the classification of external funds, the Contracts and Gifts Management Committee (“CGMC”) will be consulted to make such a determination.

The CGMC may be convened by either the Senior Vice Chancellor for Philanthropic and Alumni Engagement or the Senior Vice Chancellor for Research in consultation with each other. The

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CGMC shall be comprised of the following members (professional titles are subject to change, but area of representation should be maintained):

- Representative of the Senior Vice Chancellor and Provost
- Representative of the Senior Vice Chancellor for Health Sciences
- Representative of the Senior Vice Chancellor and CFO
- Vice Chancellor for Corporate and Foundation Relations
- Vice Chancellor for Sponsored Programs and Research Operations
- Vice Chancellor for Innovation and Entrepreneurship

In exceptional cases it may be appropriate for one or more members of senior leadership to meet with the CGMC. The CGMC may also consult with the Office of University Counsel (the attorneys whose scopes of work includes research and charitable giving) as needed.

If the Principal Investigator, program director, or dean wishes to appeal a determination of the vice chancellors, the CGMC will review the decision of the vice chancellors referenced above. This does not preclude other appeal mechanisms such as University Policy AC 22, Faculty Grievances.

B. Indirect Cost Recovery

The inclusion, exemption, or limitation of Indirect Costs as specified Indirect Costs or as a percentage of direct costs is not a basis for determining whether external funding is classified as supporting a Sponsored Project or as a Gift Supported Project. Indirect Costs are to be included in Project budgets following applicable University policies and practices, including annual University Facility and Administrative ("F&A") cost rates. Requests to waive Indirect Costs that are based on a percentage of direct costs in whole or part are to be made to the Senior Vice Chancellor for Research through the Office of Sponsored Programs ("OSP") before Gift concepts are presented to prospective Donors.

C. Fund Administration/Tracking Funds

External funds processed through OSP or Philanthropy and Alumni Engagement ("PAE") may be tracked and reported in some circumstances as both a Gift and as external research sponsorship as summarized below.

<u>Source</u>	<u>Type</u>	<u>Office to Deposit Funds</u>	<u>Accounting</u>
Individual	Gift	PAE	PAE
Federal government	Sponsored Project	OSP	OSP
State government	Sponsored Project	OSP	OSP
Local government	Sponsored Project	OSP	OSP
Foundation, industry, other	Non-specific Gift Grant	PAE	PAE
Foundation, industry, other	Sponsored Project or Specific Gift Grant	OSP	Both
Industry, other	Contract	OSP	OSP

D. Compliance with University Policies Governing Research

Research funding proposals must comply with all University policies and procedures related to research. A proposal to support a Project through a Gift will often need to be reviewed by the offices referenced below in Section V. to evaluate prospective compliance with policy in areas under their purview. Areas likely to need such review would include, but not be limited to, intellectual property, human subject research, and animal research. Such a review may require negotiation with prospective Donors or sponsors before an award can be accepted.

V. Responsibilities

This Policy shall be the shared responsibility of the individuals below and the various administrative units with authority over elements of the Policy and within a framework of a responsibility to act within their individual authority and to communicate effectively with each other as well as with the individuals and units whom they serve under the terms of the Policy. The key units below have the outlined responsibilities and others as may be specified by the appropriate senior vice chancellor(s).

- A. ***The Office of Sponsored Programs (“OSP”)***, a central office reporting to the Senior Vice Chancellor for Research, is charged with assisting faculty, staff, and students in their efforts to promote and secure sponsored research funding. The OSP reviews, negotiates, endorses, and provides administrative oversight related to proposals and awards in accordance with all applicable laws, policies, and regulations. OSP is responsible for non-financial agreements including material transfer agreements, non-disclosure agreements, and data use agreements.
- B. ***The Office of Corporate and Foundation Relations (“CFR”)***, reporting to the Senior Vice Chancellor for Philanthropic and Alumni Engagement (“PAE”), is responsible for the relationships between the University and private foundations and corporations including acceptance of nonspecific gifts. The office also helps faculty, clinicians, and program directors write, edit, assemble, and submit proposals and concepts that fit within the mission and charitable funding opportunities offered by foundations and corporations.
- C. ***Sponsored Projects Accounting (“SPA”)***, is the central, post-award accounting department reporting to the Office of the Controller within the Office of the Chief Financial Officer. SPA is responsible for central, post-award accounting, administration, and management of externally sponsored projects at the University. Responsibilities include timely and accurate post-award accounting, financial reporting, invoicing, accounts receivable management and administration of sponsored project funds from account activation to account closing.
- D. ***The Office of Research Protections (“ORP”)***, reporting to the Senior Vice Chancellor for Research, is responsible for the oversight of regulated research to ensure that is in accord with University policies and to promote ethical research practices and high-quality research. ORP has a strong emphasis on compliance through education and training, and

supports faculty, staff, and students through complex federal and state regulatory networks. The office serves as the administrative hub for offices that cover conflict of interest, research integrity, animal protection, human research protection, human stem cell oversight, institutional biosafety, and radiation safety.

- E. ***The Office of Innovation and Entrepreneurship (“OIE”)***, reporting to the Senior Vice Chancellor for Research, is responsible for responding to invention disclosures from members of the University and taking action to secure University ownership of resulting intellectual property, when appropriate. OIE is then responsible for all aspects of management of university intellectual property including commercialization (supported by commercialization education of members of the University), technology licensing and guiding and supporting creation of startup companies based in whole or part on University intellectual property.
- F. ***Prospective PIs, Chairs, Deans, and Business Officers*** are responsible for following the tenets of this Policy. Specifically, they should work with PAE and OSP to avoid raising expectations among funders (industry, foundation, or individual) that the University may not be able to fulfill and cannot make commitments on behalf of their unit or of the University. Individuals are responsible for familiarizing themselves with the Procedures associated with this Policy and following those Procedures.

Please refer to University Procedure [insert #] for procedures required under this Policy.

VI. Contact Information and Public Accessibility

This Policy is posted under [insert category] Policies on the Office of Policy Development and Management’s website and can be found at: <https://www.policy.pitt.edu> .

For specific questions related to this Policy, please contact the Office of [insert] at: [insert].

VII. Related Authorities

University Procedure [insert #], Gifts that Support Projects
[University Policy AO 45, Gift Acceptance and Naming](#)
[University’s Statement on Academic Freedom](#)
[Pitt Research Indirect Cost Waiver Request Form](#)

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