

Christopher Newport University

Policy: Identifying and Managing Gifts and Sponsored Programs Agreements

Policy Number: 4060

Executive Oversight:	Executive Vice President & Provost Vice President for University Advancement
Contact Office:	Associate Provost for Research, Senior Associate Vice President of University Advancement
Frequency of Review:	Biennially
Date of Last Review:	June 2024

A. PURPOSE

This policy is adopted to clearly identify the characteristics that differentiate between gifts and sponsored programs in order that each may be properly managed for purposes of compliance review, accounting treatment, and administrative oversight of implementation.

B. POLICY STATEMENT

University agreements with donors and sponsors, to provide support for specific purposes, may document either a restricted gift or a sponsored program or project, respectively. The two types of support are different in kind and must be accounted for differently, must comply with the separate internal processes, and must be managed in different offices. The language of each agreement determines the type of support provided and what is required of the University as a result, as set out in subsection C. of this policy.

C. PROCEDURES

The information provided below shall be used to determine whether an award/grant/cooperative agreement/contract already made or a potential award under consideration is a gift or sponsored program/project, based on the language of the agreement. The label assigned to the funding by the donor may or may not align with the appropriate categorization under this policy, and does not control how the University shall classify the funding.

If doubt remains after consideration of these elements, the Office of Sponsored Programs and the Office of University Advancement shall be consulted. If a question about the classification of an award remains, the Office of the Provost shall make the final determination.

Condition/Term	Gift	Sponsored Project
General	<ul style="list-style-type: none"> - Donor may restrict use to a specific area or for broadly defined activities such as professorships, endowments, academic programs, or unrestricted research - Award is irrevocable 	<ul style="list-style-type: none"> - Financial assistance via grant, contract, cooperative agreement or fellowship to the University or some specific department or employee of the University, for the conduct of research or other programs as specified in a proposal submitted by the University - Funding that is provided to sponsor a project - Sponsor may reserve the right to recover unexpended funds - Award is revocable if terms are not met
Reporting and Publication	<ul style="list-style-type: none"> - Donor may request copies of publications that result from work supported with donated funds and ask to be acknowledged in such publications - Donor may request annual reports or a summary of the types of activities supported or other stewardship reports 	<ul style="list-style-type: none"> - Award terms may require or allow publication of substantive aspects of the work - Project progress and/or results (deliverables) must be reported regularly - Invention and development of Intellectual Property (IP) from the program may be required and ownership of resulting IP allocated
Accounting and Financial Reports	<ul style="list-style-type: none"> - Donor may require funds be held in a separate account and that the donor receive an annual statement of total funds expended - Smaller gifts do not usually require accounting statements 	<ul style="list-style-type: none"> - Awards must be held in separate accounts. Funds may not be co-mingled. - Award may include a distributed or undistributed budget. A project period may need to be reported against. - Award may include budgetary constraints such as limits on budget categories, or the sponsor requires prior approval or other controls over expenditures - Award payments could be contingent upon University programmatic or fiscal reporting (e.g., milestones, invoices)
Facilities and Administrative Costs	<ul style="list-style-type: none"> - Gifts do not provide for indirect cost recovery 	<ul style="list-style-type: none"> - The agreement provides for recovery of facilities and administrative costs - The absence of an indirect cost recovery term, however, does not preclude the award from being a sponsored project

Program Direction	- Donor may identify an individual employee of the University as a point of contact.	- A Principal Investigator or Program Manager is identified in the proposal and is responsible for carrying out the scope of work proposed.
Performance Period	- A performance period is not normally included, but one may be stated as a general, non-binding aspiration	- Often a performance period is specified that defines allowability of expenditures and serves other purposes
Note: If an agreement includes licensing and or intellectual property components regarding tangible or intangible properties, or stipulates that expenditures must qualify for the basic research tax credit, the award is a sponsored project.		

D. DEFINITIONS

Gift: pledges, outright contributions received from private sources, financial support for specific activities provided by an external party (i.e., donor) in exchange for which no goods or services are expected, implied, or owed, and which do not entitle the donor to influence or control use of the gift except as expressly provided by the gift agreement.

Grant: a type of financial assistance awarded for the conduct of research or other program sought by means of a proposal from the University. Grants may be received and accepted by the Office of University Advancement if the obligations of the grant agreement are limited to reporting on the expenditure of funds to the donor. If the agreement requires detailed reporting of status or progress of any project, a grant must be received and accepted by the Office of Sponsored Programs.

Additional guidelines that require a grant to be received and accepted by the Office of Sponsored Programs rather than University Advancement include:

- The grant is sponsored directly or indirectly by the Federal government or a state or local government
- The grant requires cost-sharing
- The sponsor may retain authority to withhold funds pending satisfactory completion of project objectives
- Unused funds must be returned to the grantor unless waived, in writing, by the sponsor or the mechanism is a fixed price agreement
- Formal financial accounting may be required
- Generally, the grant will be subject to specific restrictions and contingencies

Sponsored Project: any externally funded research, public service, or, scholarly activity that has a defined scope of work often including a set of specific programmatic objectives and/or deliverables, providing the basis for sponsor expectations and awardee accountability (i.e., a type of financial assistance awarded to an organization for the conduct of research or other program as specified in an approved proposal. Sponsored projects are funded through agreements that usually include terms and conditions for the disposition of tangible properties and outcomes (i.e., equipment, records, specified technical reports) or intangible

properties and outcomes (e.g., rights in data, copyrights, and inventions). In cases where a sponsor requires a 501(c)(3) organization to receive the funds, University Advancement will coordinate with Sponsored Programs and the Christopher Newport University Education Foundation (CNUEF). **Note:** the terms sponsored project, sponsored program and/or sponsored activity are often used interchangeably.

E. APPROVAL AND REVISIONS:

Approved By: Policy Committee, June 25, 2024

F. NEXT REVIEW DATE: Summer 2026