I. Policy Statement
Oregon State University ("OSU") and the Oregon State University Foundation (the "Foundation") share the mutual goal of achieving the highest level of external support for OSU. External support is anything of economic value provided by a third party (a "sponsor" in the case of sponsored projects or a "donor" in the case of gifts) for use in a project conducted by OSU. Correct classification of external support and use of appropriate procedures will ensure OSU’s ability to build long-term, mutually beneficial relationships, comply with requirements specified by the sponsor/donor, and assure compliance with applicable OSU, state, and federal regulations and policies.

This policy is to be used to determine the classification and processing of external support for OSU colleges, schools, departments, and other administrative units. This policy is applicable to all external support provided to OSU.

II. Reason for Policy
OSU and OSUF are committed to coordinating relationship with sponsors/donors that support Oregon State University as a whole. In some cases, it is difficult to distinguish between a gift and a sponsored project when external support is requested from sponsors/donors.

III. Scope & Audience
University wide.

IV. Definitions
Sponsored Project: For purposes of this policy, a "sponsored project" is any project receiving external support (including research, scholarly work, training, workshops, and services) that has performance requirements or deliverables.

The following criteria shall be used for classifying sponsored projects:

A. Any project receiving either direct or indirect ("pass-through") external support from any federal, state, local, foreign, or other governmental entity shall be a sponsored project.
B. A project receiving external support from a non-governmental entity shall be a sponsored project if:
1. The specific project involves any of the following: human subjects, vertebrate animals, radioactive materials, recombinant DNA, infectious agents, or third-party proprietary materials or other information; or
2. The external support is subject to any of the following conditions or requirements:
   a. Delivery of goods or services by OSU that provide direct benefit to the sponsor. Examples of goods or services are products, testing or educational services, technical reports, test results, and data;
   b. Performance milestones or programmatic tasks with specified timelines and performance expectations;
   c. Transfer of intellectual property, ownership, or related rights;
   d. Requirements for insurance, indemnification, or warranty;
   e. Restrictions on publication of research results, including prior review by the sponsor;
   f. Requirements for specific audits to ensure compliance with terms and conditions of the award;
   g. Requirement to subcontract part of the programmatic work to an outside entity;
   h. Requirement to return unused funds to the sponsor;
   i. The external support is given on a cost-reimbursement or milestone payment structure;
   j. The sponsor may withhold or seek a refund of the external support if the project fails to meet performance requirements or project objectives.

Gift: For purposes of this policy, a gift is the voluntary provision of external support by a donor, without any requirement for receipt of any economic or other tangible benefit in return.

Gifts shall normally meet the following criteria:
A. The external support does not meet the criteria for a sponsored project as described in Section I of this policy.
B. The external support is irrevocable; however, the gift may contain gift restrictions accepted by OSU.
C. The donor does not expect to receive any direct benefit as a result of the external support. Benefits such as tax advantages, public recognition, business or personal goodwill derived from the gift, or close association with OSU are not considered a direct benefit.

Contributions to endowments are considered gifts and are not treated as sponsored projects.

V. Website (specific to this policy)
http://research.oregonstate.edu/osraa

VI. Contacts

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<th>Department</th>
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VII. Responsibilities & Procedures

A. Required Award to 501(c)(3) Organization: If an award can only be given to a 501(c)(3) organization, but meets the characteristics of a sponsored project, the Foundation will execute a memorandum of understanding with OSU. The Foundation will confer with Office for Sponsored Research and Award Administration (“OSRAA”) regarding commitments (e.g., cost sharing) before accepting such an award. In cases where the Foundation is the recipient, the Foundation will be responsible for reporting back to the sponsor.

B. Export Controlled Equipment: While the Foundation is the preferred recipient for gifts of equipment, gifts of export controlled equipment should not be accepted by the Foundation and should instead be processed by OSU.

C. Determination of Difficult Cases: If a department/center/institute cannot determine if an award is a gift or a sponsored project, the unit must consult OSRAA before accepting the award. If OSRAA’s Assistant Vice President (“AVP”) determines that the characterization of the proposed award is not clear, OSRAA and the Foundation will review the information and decide how to handle the award. The AVP has discretion to consult the OSU Vice President for Research, the OSU Vice President for Finance and Administration, and the President of the Foundation through the decision process.

D. Processing: All sponsored projects shall be processed through the OSRAA. All gifts are to be processed through the Foundation, the Agricultural Research Foundation, or OSU. OSU and the Foundation have agreed that ordinarily all gifts are to be processed through the Foundation. However, there may be circumstances where it is best to process the gift through OSU. If a gift is handled directly by OSU, it shall be processed in Business Affairs.

VIII. Forms & Tools

Frequently Asked Questions
See OSRAA website

IX. Related Information
OSU and the Foundation are committed to fostering good relationships with sponsors/donors who support OSU. The process for achieving this is described in the procedural document entitled "Donor/Sponsor Relationship Coordination Process."

X. History
This policy will supersede any previously existing policies on OSU and OSUF gifts and grants.

Last review date: (December 21, 2017)
Next scheduled review date: (November 30, 2020)

Original issue date: 10/27/2008

Note: The Office of University Compliance will attempt to track the original issue date of policy and revision dates to existing policies but will not publish this information on the website.