

ORIGINATOR: Office of the Vice President for Research and Economic Development

DATE: November 9, 2015

POLICY #00-1

## Introduction

This policy defines the administration of grants, contracts and gifts among the University of Rhode Island Division of Research and Economic Development, the University of Rhode Island Research Foundation, and the URI Foundation. The importance of establishing a formal distinction between grants, contracts and gifts is related to the evolution of federal/state compliance and auditing issues in recent years. The following sections of this policy define the terms grants, contracts and gifts, and outline the procedure for processing awards.

## Definitions of Grants, Contracts and Gifts

Sponsored Agreements (Contracts and Grants): The University of Rhode Island Division of Research and Economic Development shall process and receive all grants, contracts, and other sponsored funds awarded to the University (see Appendix A). Grants, contracts and sponsored agreements are defined as external funding that comes from a federal funding agency, quasi-federal funding agency, state agency, international agency, foundation, business, corporation, or private individual that: 1) requires the delivery of a product or service, or 2) requires the delivery of a research report that includes but is not limited to results, data, findings, surveys, and financial information, or 3) requires specific commitments regarding the levels of personnel efforts, or 4) involves stipulations regarding data, publications or intellectual property such as inventions, patents, certain copyrights or licenses, or 5) involves indirect cost funds. Please note that there may be grants from large charitable foundations that require detailed project description and/or deliverables. They must also be processed and received by the Division of Research and Economic Development, but the University of Rhode Island Foundation will receive full gift credit for them as specified by CASE.

Gifts: The University of Rhode Island Foundation shall process and receive all gifts and grants (see Appendix A). Gifts are defined as external funding (and/or donated equipment or goods) that comes from a foundation, business, corporation, or private individual that has no required deliverables such as but not limited to products, or services, and cannot carry any obligations involving data, publications or intellectual property such as inventions, patents, certain copyrights or licenses. Gifts may require, however, fiscal or program report for accountability purposes. The donor specifically intends the funds to be a charitable gift or deduction as defined by the IRS and as reflected by the absence of deliverables or intellectual property rights as defined in the above paragraph and Appendix A.

This policy assures the University of Rhode Island and the University of Rhode Island Foundation will be in compliance with all Internal Revenue Service requirements.

## Related Compliance Issues

Regardless of whether the external funds are a gift, grant, or contract, any project using human subjects, animal subjects, radioactive material must be in compliance with all applicable University, State and Federal regulations. Further, regardless of whether the external funds are a gift, grant or contract, any intellectual property arising from the use of these funds shall be subject to the University Intellectual Property policy as detailed in the *University Manual*.

Faculty and staff are not authorized to enter into written or unwritten agreement(s) with sponsors, and are not authorized to sign contracts that involve the use of any University facilities, space, equipment, and personnel; or involve intellectual property; or restrictions on publications. Only the authorized representatives of the University of Rhode Island (President, Vice President for Administration, Vice President for Research and Economic Development, and the Controller), designated by the Board of Governors, are empowered to negotiate and sign such agreements or contracts.

## **Procedures**

Grants, contracts and other sponsored agreements shall be processed and received by the University's Division of Research and Economic Development. All principal investigators shall submit their grant/contract proposals and requests for external funds to their Dean/Vice President and then to the Division of Research and Economic Development for administrative approval and transmittal to the funding agency. Upon receipt of the award, the Office of Sponsored Projects Post Award section, in collaboration with the Office of Grant and Contract Accounting, will assist the principal investigator(s) in the administration of their grants, contracts and other sponsored agreements.

Gifts to the University shall be processed and received by the URI Foundation. Upon receipt of a gift or grant from a donor, the URI Foundation will record the donation and send a letter of a gift acknowledgement to the donor. If administrative fees are provided by the foundation or private source with, then these funds will be deposited into a University account. The University of Rhode Island Foundation 5% gift fee will be deposited into a Foundation account.

In cases where it is not clear or there is any doubt whether a proposal and/or external award is a gift, grant or contract, it shall be the responsibility of the faculty or staff member and his/her Dean/Vice President to contact and discuss the proposal and/or award with the Vice President for Research and Economic Development. The Vice President for Research and Economic Development, in turn, will review the proposal and/or award with the President of the URI Foundation and the Controller. In the event that a proposal and/or award is submitted directly to the URI Foundation, the President of the URI Foundation will contact the Vice President for Research and Economic Development and the Controller and initiate the review. The Vice President for Research and Economic Development, the President of the University of Rhode Island Foundation and the Controller will review the proposal and/or award relative to the definitions listed above with particular attention to deliverables, apparent deliverables and intellectual property issues. The University of Rhode Island Foundation Corporate and Foundation Team will participate in these discussions. In the event that a decision cannot be reached by the Vice President for Research and Economic Development, the President of the URI Foundation and the Controller, then the final decision will be made by the President of the University of Rhode Island.

The Vice President for Research and Economic Development (who serves as the Chair of the University of Rhode Island Research Foundation Board), the President of the University of Rhode Island Foundation, and the Controller will meet on a biannual basis and review all gifts

that have been donated to educational and research programs. The University of Rhode Island Foundation Corporate and Foundation Team and the University of Rhode Island Office of Sponsored Projects will be consulted regarding these discussions.

Please note that the University of Rhode Island Foundation will not deposit external funds awarded to a faculty, staff or administrator for research programs without the written approval of the Vice President for Research and Economic Development and the President of the URI Foundation.

Where the faculty, staff or administrator obtains direct funding for a fellowship award (e.g., Fulbright, Nobel etc.), the researcher is advised to notify the Vice President for Research and Economic Development upon receipt of the fellowship award.

**ADMINISTRATION OF CONTRACTS, GRANTS AND GIFTS**

		<b>URI</b>		<b>URIF</b>	
		1	2	3	4
TYPE OF AWARD		SPONSORED PROJECTS CONTRACTS	GRANT, SPONSORED RESEARCH PROJECTS	RESTRICTED GIFTS	UNRESTRICTED GIFTS
A	Are the funds from a public or private source?	Public or Private		Private	
B	Does the award carry indirect cost or admin fees?	Negotiated Government F & A or Published Rate			No Overhead
C	What organization or entity owns inventions, copyrights, trade marks, or trade secrets created under the award?	IP owned by BOG may grant exclusive or non-exclusive rights to sponsor. See IP Policy	IP owned by BOG may grant exclusive or non-exclusive rights to sponsor. See IP Policy		
D	Are deliverables expected by the donor?	Demands deliverable such as a product or service	Deliverable such as test data findings, etc.	No deliverables. May require fiscal or program report for accounting purposes.	No
E	Work must be in compliance with human and animal subject guidelines, etc.	Yes		Researcher is free to determine the scope of the work	
F	What is the agreement regarding scope of work to be accomplished?	Price for deliverables defined in best effort work statement with beginning and end dates.	Best effort research as defined in the work statement.	If for research, monies to be used to support general research efforts.	If for research, monies to be used to support general research efforts.
G	Is any portion of the award a gift?	No		Yes	Yes
H	What is the tax implication?	No tax implication for federal, state, or government funds. If private could be IRS deduction or R & D.		IRS Donation or Deduction	IRS Donation
I	Is OMB Joint Circular classification applicable?	Yes. Organized Research, training and other sponsored activities.		If for research, Yes. University Research	If for research, Yes. University Research
OUTCOME	Where are the funds deposited and administered?	DIVISION OF RESEARCH & ECONOMIC DEVELOPMENT		URI Foundation	UR Foundation