



AN HONORS UNIVERSITY IN MARYLAND

UMBC POLICY ON SPONSORED PROJECTS AND GIFTS

UMBC Policy # IV 2.00.02

I. POLICY STATEMENT

This policy is created to assist in the solicitation of external funding from all sources including sponsored projects and gifts.

II. PURPOSE OF THE POLICY

The purpose of this policy is to distinguish sponsored projects from gifts.

III. APPLICABILITY AND IMPACT STATEMENT

This policy applies to all externally funded projects and gifts.

IV. DEFINITIONS

Classifying funding as supporting a sponsored project or as a gift will affect the way UMBC complies with the terms of the award, accounts for the funds provided, applies Facilities and Administrative (F&A or “indirect”) costs, and reports on the use of the funds to the donor or sponsor.

A. SPONSORED PROJECTS

Sponsored Projects are externally-funded activities in which a formal written agreement, i.e., a grant, contract, or cooperative agreement, is mutually entered into by UMBC and a sponsor. A sponsored project is a transaction in which there is a specified project plan or statement of work with a reciprocal transfer of something of value (e.g., a monetary payment).

Sponsored projects are typically awarded to UMBC in response to a detailed description or statement of work and commitment to a specified project plan. A statement of work is usually supported by both a project schedule and a line-item, fixed price or modular budget. The statement of work and budget are usually described in a written proposal submitted by UMBC to a sponsor usually for competitive review.

Funding provided by U.S. Government agencies, or state or local governments, in support of UMBC activities is treated as sponsored project funding. Government funds are not gifts. Similarly funding from organizations or associations such as the American Cancer Society or American Diabetes Association will usually be treated as a sponsored project and not as a gift.

In accordance with University System of Maryland (USM) Policy IV-2.00 - POLICY ON SOLICITATION AND ACCEPTANCE OF SPONSORED PROJECTS, proposals to funding agencies or foundations for sponsored projects are initiated by a principal investigator and routed through the approved internal system before being submitted by the Office of Sponsored Projects (OSP). OSP is the only office on campus that can submit proposals and negotiate the conditions of an award for a sponsored project.

B. GIFTS

A gift is defined as any item of value given to UMBC by a donor who expects nothing significant of value in return other than recognition and disposition of the gift in accordance with the donor's wishes. In general, the following characteristics describe a gift:

1. No contractual requirements are imposed and there are no "deliverables" to the donor. However, the gift may be accompanied by an agreement that limits the use of the funds to a particular purpose or goal.
2. A gift is typically irrevocable. While the gift may be intended for use within a certain timeframe, such as a scholarship to be awarded in a specific semester or year, there may or may not be specified dates of expenditure.
3. There is no formal fiscal accountability to the donor, although good stewardship clearly includes the use of gift funds in the manner prescribed in the gift agreement. In some cases more detailed accountability is desirable to be eligible for future gifts. Such reports are characterized as requirements of good stewardship. They are not characterized as contractual obligations or "deliverables."

The UMBC Foundation accepts gifts on behalf of UMBC. The UMBC Foundation and UMBC agree to use restricted gifts as the donor specifies within the bounds of the law and does not accept gifts that cannot be used as the donor intends. If circumstances change such that a gift cannot be used as the donor specified, the donor must approve a change in the original restriction, or UMBC must receive permission as per University of Maryland Foundation policy and consistent with the laws of the State of Maryland.

Gift solicitations on behalf of UMBC must be coordinated with the Office of Institutional Advancement (OIA).

V. ADMINISTRATIVE PROCEDURES

A. Characterization of Award.

When the nature of an external award is not immediately clear the Office of Sponsored Programs and the Office of Institutional Advancement will confer with the Principal Investigator and the donor or sponsor to resolve the classification. If consensus cannot be reached, staff from OSP and OIA will consult with the Vice President for Research, the Vice President for Institutional Advancement and the General Counsel for additional guidance or interpretation of award documents. This consultation may also involve the Dean(s) of the respective College(s).

In the event that agreement is not reached on the characterization of the award, the Provost shall make the final decision.

B. Solicitation of Funds.

To ensure that funds from sponsored projects or gifts can be appropriately accepted, recorded, and reported, and to ensure compliance with state and federal laws, solicitations for sponsored projects or gifts must be coordinated with the appropriate office (OIA or OSP). Individual acts of soliciting funding, (e.g. a written or oral request for a specific dollar amount or purpose without institutional approval), or the act of negotiating and/or accepting award terms that are binding to the university are prohibited.

VI. RESTRICTIONS AND EXCLUSIONS

None.

VII. RELATED ADMINISTRATIVE POLICIES AND PROCEDURES

None.

Policy Number: IV 2.00.02

Policy Section: Research

Responsible Administrator: Director of OSP

Responsible Offices: Vice President for Research and Vice President for Institutional Advancement

Approved by the President: Oct. 17, 2011