

MISSISSIPPI STATE
UNIVERSITY™
Policy and Procedure

**POLICY AND PROCEDURE FOR COORDINATION
OF SOLICITATIONS FOR PRIVATE DONATIONS
AT MISSISSIPPI STATE UNIVERSITY**

PURPOSE:

To develop guidelines for university-wide coordination of the solicitation of gifts from individuals, corporations, and foundations.

POLICY:

Colleges and other university fund-raising units should coordinate prospect solicitation with their respective development officers and keep the foundation office informed of solicitations and proposals. This policy is not intended to curb initiative or interfere with long-standing relationships with prospective donors.

PROCEDURE:

1. Although this policy is directed at solicitations of \$10,000 and greater, the importance of coordinating all solicitations should be understood. Constituent development officers will function as the focal point and coordinate all solicitations within the university community.
 - A. Faculty and staff seeking a gift of \$10,000 or greater must check with their development officer to determine if a prospective donor is the designee of a current or planned solicitation prior to making contact.
 - B. The request of a Prospect Proposal Clearance must be submitted by email to Heather Andrews at handrews@foundation.msstate.edu with the MSU Foundation. The request should include the name of the prospective donor, the amount of grant being requested and a short description of the grant. If approved, the prospect will be placed on the Prospect Coordination List and written notice via email to proceed with the solicitation will be provided.
 - C. Prospect lists will be reviewed regularly in order to maintain appropriate unit designation.
 - D. Some prospects will be given reserved status termed "Principal Prospect." Solicitation of these prospects will require prior approval of the president. Such

requests must be forwarded through the Executive Director of Development to the Vice President for Development and Alumni.

2. Multiple Solicitations/Conflict Resolution

A. If a unit desires to contact a prospect currently on the reserved list, the unit will be told of the reservation and the request will be placed on a waiting list.

B. If more than one unit desires to solicit the same prospect at the same time, representatives of these units and their fundraiser will meet with the Vice President for Development and Alumni and the Executive Director of Development to arrive at a decision on priorities and sequences. If the parties cannot agree, a written request for a decision will be forwarded by the Vice President for Development and Alumni to the President.

3. Proposals greater than \$1,500,000 require approval from the President and must be forwarded through Vice President for Development and Alumni. Any proposal to name any academic college or department must also be forwarded through the Vice President for Development and Alumni and the Provost and Executive Vice President to the President for approval.

ADDITIONAL INFORMATION:

The MSU Foundation (MSUF) and the MSU Office of Sponsored Programs Administration (SPA) have jointly developed the following guidelines to assist individuals seeking external support in determining if any funds deriving from their particular proposal should be routed through MSUF or SPA. These guidelines are also available on the SPA website and in SPA's Faculty and Staff Guide to Sponsored Programs Administrations, also available through the SPA website.

Sponsored Projects vs. Gifts

Projects are funded by sponsors based on the professional expertise of the principal investigators submitting proposals; however, the formal award is made in the name of Mississippi State University (MSU). When the award is accepted, the principal investigator assumes the responsibility for conducting and completing the technical work and for administering the project according to the regulations of the sponsor, MSU, and the State of Mississippi. That is, the principal investigator is responsible and accountable for the sponsored project. The University provides the infrastructure within which the investigator conducts the project. Thus, the principal investigator and the University have a mutual interest in carrying out the project for which the funds are awarded.

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Definition of a Sponsored Project

A grant or contract is an agreement formalizing the transfer of money or property from a sponsor in exchange for specified services, sometimes including proprietary rights to and products derived from the services, and including financial and/or technical reporting by the recipient as to the actual use of the money or results. The agreement is enforceable by law, and performance is usually to be accomplished within a specified time frame, with payment being subject to revocation for cause. Most sponsored projects include indirect costs unless the sponsor states they do not pay indirect costs. Sponsored projects must be signed by an authorized signatory for Mississippi State University.

Most grants, contracts, and other agreements from outside sources are "sponsored projects" and are administered through the office of Sponsored Programs Administration. A project is considered a "sponsored project" if it meets any one of the following criteria:

- The proposed project binds MSU to a specific scope or area of work
- Progress, technical, or final reports or other deliverables are required
- Billing, separate accounting procedures or report of expenditures are required
- Unexpended funds must be returned to the sponsor at the end of the project
- The project involves disposition of property, whether tangible or intangible, that may result from the project (e.g., equipment, inventions, copyrights, or rights in data)
- The project has a specified performance period or completion date
- The project has budgeted facilities and administrative or indirect costs
- The contract contains intellectual property terms

Definition of a Gift

A gift or donation is a voluntary and irrevocable transfer of money, services or property (e.g., equipment, personnel time and skill, etc.) from a donor without any expectation of or receipt of direct economic benefit or provision of goods or services from the recipient.

Donations to MSU for the University's ownership and benefit are generally considered to be gifts if the donations do not include any of the above conditions and if the donor does not benefit by the donation. An administrative fee may be applied to a donation. Gift solicitation and receipt should be coordinated with the MSU Foundation (325-7000).

Private sector entities (private agencies, professional associations, private foundations, corporate foundations, and corporations) may be perceived as either donors or sponsors depending on the award instrument. The following indicators have been developed to help direct specific awards to the proper university office.

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Indicators for administration by Sponsored Programs Administration (6-7404):

- Award is from a private sector sponsor (including individuals) for the work of a specific faculty member(s), and the work has programmatic objectives that are to be accomplished within a specific timeframe and budget.
- The sponsor places restrictions on publication of data from studies supported by the agreement. This would include a requirement that the sponsor review/approve manuscripts, talks, etc., before submission for publication or presentation.
- The sponsor requires that any unused funds be returned to the sponsor.
- Studies are to be conducted on substances/products/processes that are owned by the sponsor.
- The sponsor requests proprietary rights in data or inventions resulting from activities conducted under the agreement. This would include any proprietary rights and/or references to licensing arrangements for patents or copyrights developed as a consequence of the activity.
- Award is from a governmental or quasi-governmental entity, e.g., Argonne National Laboratory, or is from a private-sector sponsor that provides a subcontract or subgrant containing federal "flow down" provisions.
- The sponsor requires regular financial reports on how the funds will be used and/or status reports.
- The award would require approval of compliance committees such as human research (IRB), animal research (IACUC) or Biosafety.
- The sponsor participated in determining the work to be performed or services to be provided on the project.
- The sponsor places restrictions on the use of funds and/or retains the right to revoke the award. Examples of restrictions include requirement for prior sponsor approval for deviation from the originally approved budget and disallowance of certain costs.
- The award comes from a corporation's R&D budget and is perceived by the company as a "cost of doing business" rather than a charitable gift. The characteristics of the resulting grant or contract agreement would reflect this intent.
- The sponsor hopes to gain economic benefits as a result of the activity to be conducted.

Indicators for administration by Mississippi State University Foundation (5-0259):

- The award is from an individual or non-governmental source.
- The donor specifically intends the award to be a charitable gift as reflected by the absence of any quid pro quo.
- The donor intends the gift to be irrevocable and, therefore, relinquishes the rights to reclaim the gift or any unused portion.
- The award is either for capital improvements or for the university's endowment.
- The donor makes the charitable gift to MSU without expectation of direct economic or other tangible benefit commensurate with the value of the gift. Indirect benefits such as

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tax advantages, business or personal goodwill derived from close association with the university, and miscellaneous benefits derived from donor club status do not negate gift intent.

- The conditions or stipulations placed on the use of the award are reasonable and serve to direct the funds to areas such as infrastructure, scholarships or general research support of interest to the donor.

If there is a question if a specific activity is a sponsored project or a gift, please call 325-0259.

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Coordination of Solicitation for Private Donations

Reviewed by:

/s/ Timothy N. Chamblee
Assistant Vice President and Director
Institutional Research and Effectiveness

12/01/2014
Date

/s/ Joan Lucas
General Counsel

12/05/2014
Date

/s/ John P. Rush
Vice President for Development and Alumni

11/24/2014
Date

Approved:

/s/ Mark Keenum
President

12/15/2014
Date

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