Charitable Gift/Grant Flow Chart

ASU Foundation

Once investment is determined to be charitable, the gift/grant is accepted by the ASU Foundation. As determined by the Federal Tax Code, charitable gift/grants are voluntary donations to tax-exempt organizations to support activities for religious, charitable, scientific, literary, or educational purposes. Budget restrictions, payment schedules, reporting and deliverables are irrelevant. Also, the funder's description of funds as a gift, grant, sponsored project, or other terminology has no bearing on whether or not monies qualify as charitable.

Is the charitable gift/grant unrestricted or restricted?

Unrestricted

Unrestricted gifts are discretionary funds for a **general** area of work without specific spending requirements (i.e. scope of work or budget).

Example: XYZ Foundation makes a gift to support Dr. C's research on siclet reproduction. Funds may be used at the researcher's discretion.

Account

ASU Unit provides account.

Unit requests transfer to unit **gift** account.

Fees

ASU Foundation will assess 5% rate. Please note, funding must be transferred into a unit **gift** account as gift accounts do NOT assess the 8.5% Administrative Service Charge.

Restricted

Support a **specific** project/scope of work.

Example: XYZ Foundation is making $10,000 available to develop an internship program for faculty scholars between the ages of 26-35 who live in Arizona. Funds may be used strictly for the work outlined.

Restricted gifts are managed/administered by ORSPA (specific statement of work, a designated principal investigator (PI) or program director (PD), *or* a budget).

Account

OCFR requests an IFAS account.

ORSPA draws funds from IFAS account and posts to the ASU sponsored account.

Fees

ASU Foundation and ORSPA will assess maximum allowable fees permitted by granting organization. In cases where no rate is specifically stated by the funder, the indirect cost rate is 11% (ASU Foundation 5% / ORSPA 6%). If the granting organization has a **published** policy that does not permit fees, both ASU Foundation and ASU will waive its fees.