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 sickle cell reproduction. Funds may be used at the researcher’s discretion.*

**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**

ASU Unit requests an ASUF unit gift account in Workday.

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.

**Account**

OCFR requests an ASUF Workday account.

ORSPA creates an ASU/ORSPA grant account and draws funds from the ASUF Workday account. ORSPA then posts funds 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.