

SOUTH DAKOTA SCHOOL OF MINES AND TECHNOLOGY

Policy Manual

SUBJECT: Distinguishing Among Gifts, Grants, and Contracts for Administration of External Funds

NUMBER: Policy 9-1 (formerly Policy IX-1)

Revised Date: September 2024

POLICY

Gifts or donations that are intended for the support of activities at South Dakota Mines, or for the benefit of its programs or students, must be processed through the Center for Alumni Relations & Advancement (CARA) to allow for the issuance of a gift receipt to the donor for tax purposes.

Gifts or donations may be completely discretionary or may be directed to a specific activity or event. Gifts and donations are distinguishable from grants and contracts in that they do not involve a formal agreement in which Mines commits to conduct or perform specific work, require the preparation of detailed reports, or obligate the institution in any way (i.e., there are not deliverables).

All other funds that are intended for the support of activities at Mines, or for the benefit of programs or students and are not considered gifts or donations, must be deposited with the institution unless specifically granted to CARA.

PROCEDURES

1. Gifts or Donations without Personal Services - A gift or donation by an individual, group of individuals, or corporation, the allocation of which is at the total discretion of Mines and contains no provision for and will not be used for salary support, will normally be assigned for administration through CARA. Gifts or donations made to Mines for the purpose of supporting students, such as scholarships and fellowships, are included in this category, although awards to graduate students must be both made and administered by the Office of Graduate Education. Also included in this category are gifts in-kind, or gifts or donations of funds for the acquisition of equipment or for the construction or remodeling of buildings.
2. Gifts or Donations with Personal Services - A gift or donation, by an individual, group of individuals, or corporation, the allocation of which is at the total discretion of Mines and which is intended for use for salaries but not research, will normally be assigned

for administration through CARA. Salaries will be paid by the university through the salary authorization process that will include the approval signature of a representative of CARA. Mines will bill CARA for the corresponding salaries and fringe benefits. Stipends for graduate assistantships must be both made and administered by the Office of Graduate Education.

3. Federal, State, Private, or Other Grants or Contracts - Any grant or contract with a defined scope-of-work and deliverables will be administered through OSP. Indirect costs will be charged per Mines federally approved Indirect Cost Rate Agreement, unless prior approval has been given by the Vice President for Research.
4. Contracts for Services - Services provided that are exclusively of a 'build to print' nature, or do not include any research and development efforts, are typically administered by Finance and Administration.
5. Other Grants or Contracts – Other grants or contracts for the support of instructional, research, or public service activities may be assigned to OSP or Finance and Administration, depending upon the requirements of the grant or contract sponsor and as agreed upon by OSP and Finance and Administration. Restricted funds are administered by OSP whereas unrestricted funds can be administered by Finance and Administration.

Source: Office of Research Affairs

Revision History: Carried over from the SDSM&T Departmental Manual, established/revised? June 1983; and revised January 1992; February 1997, May 2003, September 2004; May 2021, and September 2024.

BOR Policy or Committee: 5.9 Foundations

Mines Policy: 9-3 Cost-Sharing for Research and Other Sponsored Activity; 9-5 Proposals for Sponsored Programs.