

**MEMORANDUM**

**TO:** ASU faculty, development and research administration staff

**FROM:** Rick Shangraw, CEO, ASU Foundation;



Sethuraman Panchanathan, SVP Office of Knowledge Enterprise Development



**DATE:** Wednesday, February 5, 2014

**RE:** Fees for charitable grants

As you may be aware, ASUF and ASU implemented meaningful changes to our charitable contributions (gift) policy on January 1, 2014. Under the new university-wide policy, all gifts to ASUF, ASU and affiliated entities are subject to a 95%/5% allocation of funds for the donor's designation and for the university's use, respectively. Donors may restrict 95% of their gift to a specific purpose at ASU and 5% will be available for the university to use to support initiatives, operations or services.

Under this new gift policy, facilities and administrative costs for charitable grants from organizational funders being administered by ORSPA will be treated as follows.

Per the [Guidelines for Charitable Grant Administration](#), budgets for charitable grants being administered by ORSPA should continue to include a fee at the **maximum permitted by the granting organization**. ASUF will assess 5% as indicated above and ORSPA will charge the remaining as recapture of facilities and administrative costs.

In cases where no rate is specifically stated by the funder, the indirect cost rate is 11%. Of the 11% assessed to the organizational funder, 5% will go to ASUF and 6% will go to ORSPA to defray the cost of administering the grant.

If the granting organization has a published policy that does not permit fees and facilities and administrative cost recapture on its grants, both ASUF and ASU will waive its fees.

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Should you have additional questions about indirects for charitable grants administered by ORSPA, please contact Ginny Foltz, Vice President of Financial Services, CFO and Treasurer of ASUF or Tamara Deuser, Associate Vice President, Office of Knowledge Enterprise Development.