**OIST Graduate University**

**Policies, Rules and Procedures**

Authority: Approved by the President

**Chapter 7 Fundraising**

**7.1 Policy**

Throughout history, private support for universities has been essential to their growth and academic excellence. Even today, contributions and donations to colleges and universities from individuals, the private sector, nonprofit foundations, and other entities are critical to strengthening their physical and intellectual foundations. Such support augments existing education and research programs and is indispensable for new ventures in science and technology and for other advancement. Recognizing this, gifts to, and fundraising for, the University is encouraged.

Fundraising at the University involves solicitation of contributions, donations, and gifts as well as bequests, and devises, together referred to as “gifts”. Fundraising also may proceed through University events (ticket sales) and sales of items bearing University marks and logo.

All fundraising activity at the University must be supervised, coordinated, and directed by and through the Fundraising office in the Office of the President [[Link: 2.4.1](https://prp.oist.jp/policy-library/2.4)]. It is the Fundraising office that, in consultation with the President, prioritizes fundraising initiatives to meet the University’s objectives. These priorities are the main focus of the Fundraising office’s efforts.

The President will maintain a prioritized list of donors who are approved for solicitation. All solicitations and negotiations regarding gifts require the express prior approval of the President.

Gifts in support of research are reviewed in coordination with the office of the President to assure appropriate disposition and treatment.

**7.2 General Considerations**

**7.2.1** Often donors are interested in whether a tax deduction is available for a gift to the University. To ensure that a tax deduction is available, the University will advise as appropriate donors from the United States to make gifts through the OIST Foundation in New York, and corporate donors from Japan to make gifts through the Promotion and Mutual Aid Corporation for Private School of Japan [*Nihon Shiritsu Gakkou Shinkou Kyousai Jigyoudan*].

**7.2.2** Restricted Gifts, those made for a defined purpose or for an area of research specified by the donor, deserve special attention and in some cases may involve negotiation to ensure that these gifts are aligned with OIST’s mission and institutional interests.

**7.2.3** Gifts that involve associated costs for the University to pay (e.g., the donor pays building construction costs but the University must pay for building maintenance and repairs) are acceptable but require close review.

**7.2.4** Gifts vs Grants. A grant, which may be provided by governments, the private sector, or a private individual donor, is not a “gift” because the grantor effectively determines how the money is to be used, requires audits of expenditure, places time and other constraints on the research, requires periodic reports, and may obtain a commercial interest in the results of the research, among other things. Additionally, grants (including private grants made by individuals) may be subject to an indirect costs (overhead) assessment, whereas gifts will not be subject to that imposition. Grants should be administered by the Grants Section (in the office of the Dean of Research) rather than the Fundraising office. Thus it is very important to distinguish between a gift and a grant.

7.2.4.1 Gifts. In general, donated funds are gifts when the following characteristics exist:

* the donor intends to make a charitable contribution;
* the donor does not impose contractual requirements; and
* the funds are given irrevocably.

7.2.4.2 Private grants. In general, provision of funds are grants when *any* of the following characteristics exist:

* there is provision for audits by or on behalf of the person providing the money;
* the person providing the money is entitled to receive some consideration such as a detailed technical report of research results or a report of expenditures;
* the research is directed to satisfying specific requirements as directed by the person providing the money (e.g., a precisely stated scope of work to be accomplished within a specific period of time, instead of a statement supporting a general area of research);
* a specified period for performance is prescribed, or termination is at the discretion of the person providing the money;
* funds that are unexpended at end of period are to be returned to the person providing the money;
* patent or licensing rights are requested by the person providing the money.

**7.2.5** Gifts involving “matching funds” are permissible.

7.2.5.1 Care must be exercised to determine whether such a gift might actually constitute a joint research collaboration, which should be referred to the office of the President.

**7.2.6** “In Kind” donations (items rather than money) to support a research collaboration are subject to different rules and should be referred to the office of the President for review.

**7.2.7** Special attention must be paid to the nature of the agreement when a gift is given by a commercial company. No direct profit-based advantage to a commercial entity can be part of an agreement between the University and the commercial enterprise making a gift.

**7.3 Rules**

**7.3.1** All fund-raising activity at the University must be supervised, coordinated, and directed by and through the Fundraising office [[Link: 2.4.1](https://prp.oist.jp/policy-library/2.4)].

7.3.1.1 The President maintains a prioritized list of donors who are approved for solicitation and this list must be consulted each time fundraising occurs.

7.3.1.2 No solicitation or negotiation regarding a gift can be made without the President’s explicit approval.

7.3.1.3 Gifts supporting specified research or specified aspects of research must be reviewed in collaboration with the office of the President.

**7.3.2** No direct profit-based advantage, implied commercial return or other benefit may result in favor of a commercial entity seeking to donate funds or other gifts to the University. (Chapter 22)

7.3.2.1 Donations of specialized/unique research or other equipment which may require servicing and maintenance by the donor’s commercial enterprise require justification prior to acceptance.

**7.3.3** Gifts which may involve donor use of the University names and marks must be coordinated with the office of the Vice President for Public Relations & Communication. (Chapter 16 [[Link: 16](https://prp.oist.jp/policy-library/16)])

**7.3.4** Fundraising proposals must satisfy the following criteria:

7.3.4.1 The funds raised will support a key mission or objective of the University;

7.3.4.2 The fundraising arrangement will not breach any other contract held by the University;

7.3.4.3 There is a connection between the University and the recipient of any solicitations;

7.3.4.4 Recipients of the invitations or solicitations have not been the subject of recent or repeated solicitations from the University; and

7.3.4.5 The number of similar promotional events over the last 12 months has not been so excessive as to give the University an appearance of undue commercialism.

**7.3.5** Fundraising proposals based on sales of items to the public and use of the University’s name, marks, or logos [[Link: 15](https://prp.oist.jp/policy-library/15)] must demonstrate the following:

7.3.5.1 The commercial entity selected to provide the items has a very high reputation for quality and service in its industry;

7.3.5.2 The commercial entity selected to provide the items to be sold has values and operational practices that are consistent with the University’s;

7.3.5.3 The product to be offered is of high quality; and

7.3.5.4 The price proposed by the entity selected to provide the items is competitive within the relevant market.

**7.3.6** All gifts to support research, whether ultimately characterized as a gift to advance education or research, or as a private grant [[Link: 7.2.4](https://prp.oist.jp/policy-library/7.2)], is subject to the research review requirements established by the office of the President.

**7.3.7** All fundraising is subject to the policies, rules, and procedures that apply to all University Funds.

**7.3.8** An acknowledgment of the offer of a gift must be promptly sent to the donor, indicating that the gift offer has been received in the Fundraising office and the date of that receipt. An acknowledgement of receipt of a gift offer is not the same as an acceptance of that gift.

**7.3.9** Once a gift has been formally accepted by the University, an acceptance letter must be promptly sent to the donor indicating the date of acceptance (not necessarily the same as the date of receipt or the date of the acknowledgement). Acceptance letters must state the nature of the gift and the amount (if cash) or a description of the gift sufficient to link it to the donor.

7.3.9.1 Gifts that are conditional are not considered “accepted” unless the University agrees to all the conditions and then notifies the donor of acceptance of the gift and its conditions.

**7.3.10** Announcement of gifts may only be made by the Office of The President [[Link: 2.4.1](https://prp.oist.jp/policy-library/2.4)].

**7.3.11** Processing and official receipting of gifts are handled exclusively by the Fundraising office, in coordination with the office of the Vice President for Financial Management [[Link: 2.4.5](https://prp.oist.jp/policy-library/2.4#2.4.5)].

**7.3.12** Students should not be solicited for funds; their involvement in fundraising activities is limited to providing time and effort (and enthusiasm) only. Any exceptions to this constraint must be approved by the President [[Link: 2.4.1](https://prp.oist.jp/policy-library/2.4)] and the Dean of the Graduate School [[Link: 2.4.5](https://prp.oist.jp/policy-library/2.4#2.4.5).1]

**7.4 Responsibilities**

**7.4.1** The President must be involved in the process of reviewing gifts and gift proposals in conformance with the requirements set out in 7.2 and 7.3 of this Chapter.

**7.4.2** The President should actively participate in raising funds from the private sector by identifying and developing relationships with potential donors as requested by the Fundraising office.

**7.4.3** Faculty may assist in fundraising activities by identifying potential donors to the Fundraising office. Faculty must request the assistance from and work through the Fundraising office in the event they identify or come upon potential donors/donations.

**7.4.4** Individual faculty should refrain from negotiating with donors in the absence of first identifying the donor to the Fundraising office. This avoids a) the potential embarrassment of more than one faculty member pursuing a donor simultaneously and b) solicitation in the absence of full knowledge and a sound solicitation plan.

**7.5 Gift Acceptance**

**7.5.1** The acceptance of gifts shall be pursuant to the [OIST Gift Acceptance Policy](https://prp.oist.jp/sites/default/files/img/prp/03_OIST%2BGift%2BAcceptance%2BPolicy%2B2020.08.06%2BEN.pdf) and [OIST Naming Gift Guidelines](https://prp.oist.jp/sites/default/files/img/prp/OIST_Naming_Gift_Guidelines_ENG_Final.pdf).

**7.5.2** A [Donation Review Committee](https://prp.oist.jp/sites/default/files/img/prp/Donation%20Review%20Committee%20rules%20update%202022.06.20.pdf) is responsible for reviewing proposals for donations as specified in the Gift Acceptance Policy and recommend to the President whether to accept the proposed donations.

**7.6 Donation-funded Course, Research Unit, and Chair**

To establish a course, research unit, or chair by donation defined in 7.9.8, Rules of Donation-funded Course, Research Unit, and Chair shall be referred. [[Link](https://live-oist-www.pantheonsite.io/sites/default/files/img/prp/Rules%2Bof%2BDonation-Funded%2BCourse%2BResearch%2BUnit%2Band%2BChair_1.pdf)]

**7.7 Forms**

**For regular donation: Donation Request Form**

For Donation-funded Course, Research Unit, and Chair: Gift Intention Form; Proposal of Donation-funded Course, Research Unit, and Chair.

**7.8 Contacts**

**7.8.1** Policy Owner: The President

**7.8.2** Other Contacts: Fundraising office

**7.9 Definitions**

**7.9.1** Bequest: The transfer of property (except real estate) under the terms of a Last Will and Testament.

**7.9.2** Contribution: A sum of money voluntarily provided in response to a request or campaign seeking funds.

**7.9.3** Deferred Gift: A gift divided into a present interest and a future interest, usually by means of annuity, where the donor irrevocably gives one interest (such as annuity payments to the University for a span of years starting at a future date) but personally retains the remaining interest.

**7.9.4** Designated Gifts (or Designated Funds): Gifts of money for a purpose that is only loosely described by the donor. Typically, a designated gift merely specifies a particular recipient, but the use of the money is not prescribed, e.g., JPY 3 m given as “shogakukifukin Fund (donation type)”, $5,000 donated for use by the University Child Care Center, $500,000 donated to support the Library, or $75,000 donated to the general endowment. The relevant decision-makers and budget managers thus have some discretion to decide how designated gifts are expended. Compare “restricted gifts”.

7.9.4.1 Shogakukifukin (donation type): a fund which is donated to support education and research activities of the specific research unit without requiring submission of a report on usage, etc. to the donor. See “Instruction Regarding Shogakukifukin Fund (donation type).”

**7.9.5** Devise: The transfer of real estate under the terms of a Last Will and Testament.

**7.9.6** Donation: Money or other tangibles voluntarily given to a charity, church, nonprofit educational institution or other nonprofit entity or foundation.

**7.9.7** Donation Fund: A pool of donation designated for a specified program or project.

**7.9.8** Donation-funded Course, Research Unit, and Chair:

* Donation-funded Course: A course and an educational program established or supported by a donation fund from individuals, corporations and other organizations.
* Donation-funded Research Unit: Research Unit and other research projects equivalent to Research Unit established or supported by a donation fund from individuals, corporations and other organizations.
* Donation-funded Chair: Faculty position established or supported by a donation fund from individuals, corporations and other organizations. This includes Professor, Associate Professor and Assistant Professor or equivalent faculty positions.

**7.9.9** Gift: A thing (or things, including money) voluntarily transferred by one person to another person or to an entity, without remuneration by or any other form of consideration from the person or entity to whom the transfer was made.

**7.9.10** Grant

7.9.10.1 Research Grant

Money given to individuals (and sometimes to groups) to explore various fields of study, most often in response to a proposal seeking funding for a specific area of research. Grants cover the cost of research plus provide the researcher(s) with income. Governments, private sector entities, and individuals all fund research through grants. A grant is not a “gift” because the grantor effectively determines how the money is to be used, requires audits of expenditure, places time and other constraints on the research, and requires periodic reports, among other things. Applicant should seek for an approval by the Dean of Research through the Grants Section before applying for research grant.

The Grants Section or the Business Development Section will assist the applicant in financial report, activity report, audit and other required activities by grantor. Overheads from research grant shall be as stipulated in the PRP 27.5.3.

7.9.10.2 Non-Research Grant

Non-Research Grant is important external funds to promote the University’s operation. Non-Research Grant is money given to individuals (and sometimes to groups) to response to a proposal seeking funding for a specific administrative work. Applicant should seek for an approval by the Vice President of applicant’s division. Applicant should report the details of the application and screening result to the Grants Section at the earliest possible. Applying division shall conduct financial reporting, activity reporting, audit and other required activities by grantor on division’s responsibility. Overheads from non-research grant shall be as stipulated in the PRP 27.5.3. However, in the case that rules for overheads is not specified by grantor, all received amount can be used for the purposes of the grant.

**7.9.11** Restricted Gifts (or Restricted Funds): Donated money specifically designated as to both purpose and recipient by the donor, e.g., $200,000 to fund summer research student stipends in chemical engineering, $5,000 to purchase a specific item for evolutionary biology research, or $50,000 to the office of the Dean of the Graduate School to be used to recruit geology students who also play the tuba. The relevant decision-makers and budget managers have very little or no discretion regarding the use of restricted gifts. Compare “designated gifts”.

**7.9.12** Donation Review Committee

The OIST internal committee established to review proposals for donations and recommend to the President whether to accept the proposed donations.