Gifts or donations that are intended for the support of activities at SDSM&T, or for the benefit of its programs or students, must be processed through the SDSM&T Foundation. This will 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 SDSM&T agrees to conduct or perform specific work, require the preparation of detailed reports or obligate the institution in any way.

All other funds that are intended for the support of activities at SDSM&T, 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 the foundation.

**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 SDSM&T and contains no provision for and will not be used for salary support will normally be assigned for administration through the Foundation. Gifts or donations made to the school for the purpose of supporting students, such as scholarships and fellowships, are appropriately classified in this category. 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 SDSM&T and which is intended for use for instructional faculty salaries, but not research, will normally be assigned for administration through the Foundation. Salaries will be paid by the university through the salary authorization process that will include the approval signature of the representative of the SDSM&T Foundation. SDSM&T will bill the Foundation for the corresponding salaries and fringe benefits.
3. Federal and State Grants or Contracts - Any Federal or State grant or contract will be administered through the Sponsored Programs Office. Indirect costs will be charged on salaries and wages at the federal audited rate unless prior approval has been given by the Vice President of Business and Administration or his designee to share such costs in accordance with procedures set forth in the Tech Policy Manual (V-C-04).

4. Private or Other Grants, Contracts, or Services - Private or Other grants or contracts for the support of instructional, research, or public service activities may be assigned to Sponsored Programs Office or the Business Office for administration, depending upon the requirements of the grant or contract sponsor and as agreed to by the administrative heads of the Sponsored Programs Office and the Business Office. Restricted funds are administered by Sponsored Programs Office whereas unrestricted funds can be administered by the Business Office. Services provided that are exclusively of a ‘build to print’ nature or do not include any research and development efforts are typically administered by the Business Office. Fellowships, scholarships, and graduate research assistantships may be obtained from private sector sources but all such awards to graduate students must be both made and administered by the Graduate Office.

*Carried over from the SDSM&T Departmental Manual and revised January 1992.
*Reference BOR Policy #5:9.