

Harvard Pilgrim Health Care, Inc.
Harvard Pilgrim Health Care Institute, LLC
Office of Sponsored Programs

Policy and Procedure

TITLE: Acceptance of Gift Funds

PURPOSE:

To provide the research community with guidance regarding accepting gifts from external sources and to facilitate the appropriate classification of gifts vs. sponsored awards and to ensure that external funding directed to HPHC/I receives the proper compliance review, administrative oversight, and

PERSONS AFFECTED:

This policy & procedure (P/P) applies to all Harvard Pilgrim Health Care, Inc. (HPHC) and Harvard Pilgrim Care Institute, LLC (HPHCI) (collectively, HPHC/I) personnel engaged in research, teaching or research administration activities in support of the charitable and educational mission of HPHC, Inc.

POLICY:

HPHC/I treats all funds received in accordance with applicable federal, state, and local laws, and with the specific terms and conditions of any gift, grant or contract. HPHCI's approval, negotiation and agreement processes and mechanisms, accounting, budget practices, oversight, and compliance practices differ depending on whether funds received are categorized as a gift or as a sponsored award.

PROCEDURE:

Gifts typically carry no reciprocal obligations between donor and recipient and are often unrelated (or only indirectly related) to the business interests or mission of the donor. Therefore, in general, a gift may be an unrestricted donation to HPHCI, or a donation whose uses may be restricted to a specific research or teaching project or to a defined group of the Institute (a "restricted gift"). Within the restrictions set by the terms of a gift agreement, the specific ways in which funds are used, and the methods of implementing the intent of the donor, are left to the discretion of HPHCI. A gift generally has no time limit for its use and expenditure. Checks/payments must be made payable to Harvard Pilgrim Health Care Institute.

OSP will notify the Department of Population Medicine’s (DPM) finance office to establish an HPHCI cost center for the gift funds and highlight any restrictions. The account will be closed when all funds have been expended or as specified in the gift documentation or time limits on the use of the funds; any expected deliverables related to their use, and any requirements to document how the funds were used.

Expenditures must follow the HPHC Procurement Services Policy. Examples of allowable charges on gift funds include: salaries, office/medical supplies, laboratory tests, pharmacy costs, patient recruitment costs, parking or travel costs, computers, software, business travel, and general research and educational expenses. Documentation and compliance with personnel, travel reimbursement, purchasing and other standard business procedures is required. Gift funds may not be used for salary increases for investigators or other staff, except as consistent with standard HPHCI human resources policies.

An F&A rate of 10% will be charged on all expenditures from gift accounts, and this will accrue to HPHCI’s indirect cost recovery account.

The account will be closed when all funds have been expended or as specified in the gift documentation or time limits on the use of the funds; any expected deliverables related to their use, and any requirements to document how the funds were used. Under ordinary circumstances, in the event that the investigator leaves HPHCI, residual funds will remain at HPHCI for purposes determined by DPM and consistent with any sponsor/donor restrictions.

DEFINITIONS:

Restricted Gift - the donor stipulates that the funds must be spent for a specific purpose or during a specific time period.

Unrestricted Gift - the donor does not stipulate the purposes for which the funds may be used or impose a time limit before which the funds must be spent.

Department: OSP	Title: Acceptance of Gift Funds
Effective Date: 12/28/2020	Owner: Dir, OSP
Reviewed By/On: 12/22/2020	
Replaces P/P Dated: 11/2/2016	
Related Documents: HPHC Procurement Services Policy	
Approved By: Charlotte A Johnson	