

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

**Policy and Procedure**  
**Gift Funds**

This policy applies to all Harvard Pilgrim Health Care, Inc. (HPHC) and Harvard Pilgrim Care Institute LLC(HPHCI), (collectively HPHC/I) personnel who are engaged in instruction, education and research.

**Background**

From time to time, a non-federal sponsor or an individual donor may elect to provide funds in the form of a gift in support of research and teaching programs to Harvard Pilgrim Health Care Institute (HPHCI) and/or to an individual investigator. These funds will be classified as gift accounts in support of research or education, either restricted or unrestricted. If the sponsor/donor requires specific deliverables the funds will be classified as a contract rather than as a gift.

**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.

**Policy**

Gift funds must be deposited with the Office of Sponsored Programs (OSP). Gifts may be accepted only after the Director of OSP determines that there is no conflict of interest in the acceptance and use of the funds. OSP will establish an HPHCI cost center for the funds and highlight any restrictions. The account will be closed when all funds have been expended or as specified in the gift documentation.

Checks/payments must be made payable to Harvard Pilgrim Health Care Institute. The donor must send a letter to OSP stating the intention to make a gift; the amount of funds to be gifted; whether there are restrictions 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.

The investigator may expend funds from a gift account for any research or educational purpose consistent with any stated restrictions on the use of the funds. OSP will exercise discretionary control over expenditures. 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.

Expenditures on a gift account will be monitored in accordance with any sponsor/donor restrictions. 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 Director of OSP will determine the disposition of residual gift funds, in the event that the investigator leaves HPHCI. Under ordinary circumstances, residual funds will remain at HPHCI for purposes determined by OSP and consistent with any sponsor/donor restrictions.