

Software Gifts – highly complex

Considerations from CASE Management and Reporting Standards:

- **Contact DIS** as soon as there is the slightest possibility of a gift of software.
- **Value to the institution:** Must serve the academic or research purpose of OU
- **Gift value:** Donor to provide OU with the value of the gift at the educational discount price.
- **Maintenance / License agreements:** Generally considered contributed services and are not to be counted.
- **Fees:** Fees charged to OU for the license is to be deducted from gift value.
- **Revocation of gift:** Must be irrevocable transfer to OU.
- **Counting licenses:** Licenses of software can be counted if it meets the criteria stated above.
- **Perpetual license:** Can be counted only in the year that the gift is originally given. In the case of perpetual licenses or renewable licenses, if the software has no upgrade or substantive change, it cannot be counted in subsequent years.
- **Software upgrades:** If company donates free upgrades to the software in subsequent years with a higher established value, the difference in value can be counted.
- **Contact DIS** as soon as there is the slightest possibility of a gift of software.



Corporate Sponsorships vs. Advertising

- Corporations often give money to sponsor activities, events, or projects and in return receive recognition on campus or at the event.
- Most sponsorship dollars are gifts as long as the recognition received does not constitute advertising.
- The IRS defines advertising as competitive pricing or product information displayed because of the donation.
- The recognition for a sponsor should be limited to:
 - Sponsors location, telephone number, internet address
 - Value-neutral description of sponsor's products or services
 - Sponsor's brand/trade name or product/service listings



Contributions vs. Contracts (Exchange Transactions)

- Some contracts may appear to be much like contributions therefore a careful assessment of the contract is needed to determine if OU has given up an asset or incurred a liability (of commensurate value).



Contributions vs. Contracts (Exchange Transactions)

- Factors to aid in distinguishing between contributions and exchange transactions.
- No one factor will provide sufficient information for appropriate classification.
- From NACUBO (National Association of College / University Business Officers)

Factor / Question	Answer is Yes	Answer is No
Do funds provide goods/services for a program of the resource provider?	ET	
Did the initiative for the project come from the organization providing the funds?	ET	C
Do proprietary results belong to the funding organization, in whole or in part, after the work is completed?	ET	C
Do the results of the work have specific commercial value for the resource provider?	ET	C
Does the resource provider sponsor research and development activities and retain patents, copyrights, advance and exclusive knowledge of outcomes?	ET	
Does payment support the direct/immediate need of government or organization that provides funding?	ET	
Are benefits to the resource provider primary and public benefits are secondary?	ET	
Does the resource provider define performance objectives such as a detailed report and a timetable for meeting objectives?	ET	C
Is the time and place for delivery of results specified?	ET	C
Does the contract fulfill a service as prescribed by the resource provider?	ET	
Did the recipient give up benefits of the research to the resource provider?	ET	
Will the recipient pay economic/punitive penalties for failure to meet agreement?	ET	
Does the resource provider receive commensurate value in return for support?	ET	C
Does the recipient determine ownership of the products of the research?	C	
Does the recipient hold unconditional rights to receive the funds?	C	
Does the recipient retain control and ownership of any work completed after completion of the project?	C	
Are the funds used to carry out an already existing program of the recipient organization?	C	
Does the recipient participate actively in determining how the funds will be spent?	C	

