

Distribution of Texas Research Incentive Program (TRIP) Matching Funds at Texas State University

I. Purpose:

This policy provides guidance on how Texas State University will distribute matching funds received via the Texas Research Incentive Program (TRIP).

II. Background:

The Texas Education Code 62.122 established the Texas Research Incentive Program to provide matching funds to assist eligible public institutions in leveraging private gifts for the enhancement of research productivity and faculty recruitment. Eligible public institutions are emerging research universities as designated under the Coordinating Board's Accountability System or a university-affiliated entity of an emerging research university.

Principal Investigators should work directly with University Advancement and the Assistant Vice President for Research and Federal Relations in their efforts to cultivate and ultimately obtain a philanthropic gift which may be restricted by the donor to support the research functions of the university.

The Original gift donations must meet the eligible funds definition found in Section 15.10(c)(3) of the Texas Administrative Code to qualify for TRIP matching (see Sec. III(b) below for that definition). While the original gift donations may be classified as restricted research awards by the Texas Higher Education Coordinating Board and thus count towards Research Development Fund allocations, the matching funds are not restricted and thus count only towards total Research and Development expenditures when spent for R&D purposes.

III. Definitions:

a. Gift--A contribution received by an institution for which the institution has made no commitment of resources or services that provide a direct benefit to the donor other than committing to use the gift as the donor specifies. Gifts include cash, cash equivalents, marketable securities, closely held securities, money market holdings, partnership interests, personal property, real property, minerals, and life insurance proceeds.

b. Bundled Gifts--Gifts that would otherwise be an eligible gift, but that individually do not have sufficient monetary value to be eligible for Matching Grants, that are combined by the eligible public institution in an attempt to establish eligibility for Matching Grants.

c. Eligible Funds--Gifts or endowments certified on or after September 1, 2009, to an eligible public institution from private sources in a state fiscal year for the purpose of enhancing research activities at the institution, including a gift or endowment for endowed chairs, professorships, research facilities, research equipment, program costs, graduate research stipends or fellowships, or undergraduate research. These include gifts that are bundled from a private source. All gifts, cash and non-cash, must have been originally donated for research purposes.

d. Ineligible Funds--A gift for undergraduate scholarships or grants, bundled gifts, or any portion in excess of \$10 million of gifts or endowments received from a single source in a state fiscal year or gifts that are bundled by an universities-associated entity.

e. Private Sources--Any individual or entity that cannot levy taxes, and is not directly supported by tax funds.

IV. Eligible funds will be matched at the following rates:

- 50 percent of the amount if the amount of a gift or endowment made by a donor on a certain date is at least \$100,000, but not more than \$999,999;
- 75 percent of the amount if the amount of a gift or endowment made by a donor on a certain date is at least \$1 million but not more than \$1,999,999; or
- 100 percent of the amount if the amount of a gift or endowment made by a donor on a certain date is \$2 million but not more than \$10 million.

V. Allocation of matching grants from TRIP to Emerging Research Universities:

- Matching grants will be distributed in order of the date of certification.
- All eligible funds with the same date of certification will be considered in a block.
- If there are insufficient funds to match eligible funds with the same date of certification, those eligible funds will be prorated and any remaining unmatched eligible funds shall be eligible for matching grants in the following fiscal years using funds appropriated to the program, to the extent funds are available.

VI. Distribution of Institutional TRIP Allocations:

- 90 percent of TRIP matching funds received by the University for projects that don't involve construction will be distributed to the department or PI who received the qualifying gift. If the memorandum of understanding or gift agreement addresses the match (how it is to be used), then the matter is resolved. If the memorandum of understanding or gift agreement does not address the match, then the funds go to the department or the PI to be used at their discretion. In most cases the match portion will be utilized in support of the program that led to the gift, but the final decision should be made collaboratively by the PI and Chair/Director.
- 100 percent of TRIP matching funds received for gifts used for construction project will be allocated for that purpose.
- 10 percent of TRIP matching funds received by the University for projects that don't involve construction will be made available to AVPR to be awarded to individual faculty research projects via competitive peer review grant programs (e.g. Research Enhancement Program).
- Individual accounts within the University's enterprise financial system will be established to expend and track the TRIP matching funds.
- The Endowment Compliance Committee will provide oversight that ensures funds associated with the original gift are expended in accordance with the memorandum of understanding or gift agreement and TRIP eligibility requirements.

VII. Reviewers of this policy:

- Vice President for University Advancement
- Assistant Vice President for Research and Federal Relations

VIII. Certification Statement:

This policy has been approved by the following individuals in the official capacities and represents Texas State policy and procedure from the date of this document until superseded.

Assistant Vice President for Research and Federal Relations
Associate Vice President for Research and Federal Relations
Vice President for University Advancement
Provost and Vice President for Academic Affairs
President