



Office of Research and Sponsored Programs

Grant vs. Gift

Accurate classification and processing of external funds (gifts, grants and various types of contracts) are important parts of UNC's fiscal and fiduciary responsibilities in its role as a steward of public assets. Sponsor awards and gifts may be labeled in a variety of ways and may not reflect how the University will be required to manage the funding. Below are some general guidelines that should help you decide the appropriate contact office for assistance for your award or gift, especially for funding from corporations and foundations.

Grant/Sponsored Program Criteria

A **grant/sponsored program** are those activities/projects conducted by the University funded as grants or contracts by external sources in a specific time period.¹ These are typically defined with an agreement between UNC and another entity for a specified statement of work with a related reciprocal transfer of money or property. The agreement is enforceable by law, and performance is usually accomplished in a specific time frame, with support being revocable for cause.

Any funding provided by U.S. Government agencies, at the federal, state, or local level, in support of UNC activities is treated as a grant. This includes funding awarded both directly to UNC from the government, or funding awarded from a pass-through entity. A pass-through entity receives government funds which it "passes on" or "passes through it" to other recipients. Funding from voluntary health organizations or associations, such as the American Cancer Society or American Heart Association, is typically treated as a grant. The solicitation of grants or contracts through the submission of a proposal is coordinated through the Office of Research & Sponsored Programs.²

Grants/Contracts will have one or more of the following characteristics. It is important not all characteristics must be present to be considered a grant or contract

- Money or property is awarded for a proposal submitted by the University in response to a request for proposals, published guidelines, or through a competitive application process.
- Sponsor is a federal, state or local government agency, or awarding pass-through (aka flow-through) funds from one of these agencies.
- Sponsor requires cost share, match, or in-kind commitment.

- Money or property is to match a government-funded project.
- The application process includes a detailed, line item budget.
- The award is a contract, cooperative agreement, inter-agency agreement, consortium agreement, grant, sub grant or subcontract.
- Money or property is awarded for the purpose of research, program development/operation, curriculum development, training, community service, planning or some other specific activity.
- The award is for a specific scope of work with a specified performance period or completion date.
- The project requires a legal contract (e.g. non-disclosure agreement, confidentiality agreement, data use agreement) or review by a university compliance committee for use of human subjects, animal subjects, or recombinant or synthetic DNA/RNA (i.e. IRB, IACUC, IBC) .
- The award includes budget restrictions (e.g., prior approval for re-budgeting and restrictions for certain budget categories).
- Detailed billing, separate accounting procedures, and/or regular reporting of expenditures are required.
- Unexpended funds must be returned to the sponsor at the end of the project period.
- The sponsor requires external audits, detailed technical, financial, or property reports or other deliverables.
- The award contains provisions such as: publication restrictions, rights to tangible and intangible assets, allowable and unallowable costs, indemnification and hold harmless clauses, protection of proprietary or confidential information, penalties, termination, etc.

For assistance with grants/sponsored awards, contact orsp@unco.edu.

Gift Criteria

A **gift** is the voluntary, non-reciprocal transfer of money or property from a donor to an institution. The donor may be an individual, a corporation or a non-profit organization. The donor does not expect anything of value in return other than recognition and does not have control over expenditure of the funds. A gift may meet the interests of the donor and can be restricted or unrestricted. A restricted gift is a contribution designated for a specific purpose, program, or project. If the donor does not specify any restrictions, the gift is unrestricted and the institution allocates the funds at its own discretion. Only the Office of Development may accept gifts on behalf of the University.²

Gifts have some or all of the following characteristics:

- The money or property is from an individual.

- Donor refers to the award as a gift, donation, or contribution and intends the award to be a charitable gift as reflected by the absence of any quid pro quo.
- The gift is from a non-governmental source and is given for such activities as endowments, capital projects, general student financial assistance, or other general operations of the University/Foundation. The donor may direct the use of funds to a specific program area or purpose.
- The gift is irrevocable.
- No financial, technical, or progress reports are required.

Gifts are managed by the Office of Development.

If your award does not seem to fit in either category, contact orsp@unco.edu and we will work with the Office of Development and various other UNC offices to find the correct office to assist you.

References:

¹University Regulations 3-7-114(2) Sponsored Programs

²University Regulations 3-7-107 Fund Raising Authority