

Check List for Grants/Contracts/Gifts

√ = Yes
 X = No
 § = Sometimes

CHARACTERISTICS	AWARDS	
	Grant/Contract	Gift
Specific deliverables (<i>e.g., Technical/progress report, prototype</i>)	√	§
Defined scope of work	√	X
Defined period of performance	√	X
Line item budget approved by the sponsor	√	X (?)
Approval of budget modification, if any, by the sponsor	√	X (?)
Tax implications	§ / X	√
Facilities & Administrative (F&A; Indirect) Costs	√	X
Invoicing	√	X
Return of unexpended funds	√	X
Obligated to report the use of fund to the sponsor	√	§
Awards are irrevocable/nonreciprocal	X	√
Restricted use of funds	√	§
Risk for penalty	√	X
Compliance with guidelines/policies of the sponsor	√	X
Separate fund number required for financial monitoring	√	X
Funded by industries, foundations, or other organizations	√	√
Funded by an individual	X	√
Processed/received/monitored/recorded by the Research Office	√	X
Processed/accepted/acknowledged/recorded by University Relations	X	√
Audited by sponsor	√	X

EVALUATIVE FACTORS FOR GRANTS VS. GIFTS

The following list is a summary of evaluative factors to be used in determining whether an award is considered a grant or a gift. The list is not exhaustive or a substitute for professional judgment. The factors shaded in gray may require balanced consideration of other factors. All gifts and grants in support of research activity must be considered organized research expenditures.

GRANT	GIFT
<input type="checkbox"/> Penalty <u>may</u> exist for non-performance of proposed research; agreement states that a technical report or other outcome is expected to fulfill obligation.	<input type="checkbox"/> No penalty exists for non-performance. Gift may be given in support of research or other activity without expectation of specific outcome.
<input type="checkbox"/> Funding is contingent upon university's commitment to expend effort or resources in fulfillment of the specific proposal.	<input type="checkbox"/> Agreement does not define a quid-pro-quo return or definitive outcome in exchange for consideration.
<input type="checkbox"/> Activity involves the use of human subjects, laboratory animals, radioactive materials or biological hazards.	<input type="checkbox"/> Gifts do not involve the use of materials or subjects requiring institutional approval.
<input type="checkbox"/> Disposition of rights to intangible property, i.e., data, licenses, patents, copyrights, are specified in the agreement.	<input type="checkbox"/> Gifts do not involve the transfer or negotiation of rights to intangible property.
<input type="checkbox"/> Sponsor is a public entity.	<input type="checkbox"/> Sponsor is an individual.
<input type="checkbox"/> Period of performance is defined by the sponsor.	<input type="checkbox"/> A period of performance is not defined by the sponsor.
<input type="checkbox"/> Unexpended funds are usually returned to sponsor. Grants may allow retention of unexpended funds for a specific purpose.	<input type="checkbox"/> Gifts are irrevocable. The obligation to return unexpended funds after a period of time indicates a grant.
Sponsor is a private foundation or business entity - Entity type is not a distinguishing characteristic of a grant vs. gift. Private foundations and businesses offer grants and gifts in support of research or other activities.	
Proposed scope of work binds the researcher to a specific line of inquiry - Defined scope of work is proposed and awarded. If proposal is the result of a solicitation for proposals, then the award is a grant. Unsolicited proposals should be evaluated by the preponderance of other factors enumerated on this list.	
A line item budget is substantive part of proposal - A line item budget may be provided as evidence of responsible stewardship. The existence of a line item budget is not sufficient in itself to differentiate between a grant vs. gift. If penalty for deviations exist, the agreement should be considered a grant (performance indicator).	

A financial report is expected or required by sponsor - A financial report may be provided as evidence of responsible stewardship. This requirement is not sufficient in itself to distinguish a gift vs. grant.