

Gift vs. Sponsored Award Decision Matrix

The proper classification of a funding instrument as a gift or a sponsored award may not always be apparent. In these circumstances, the following may be used to help guide proper classification of the funding instrument as a gift or sponsored award. This Decision Matrix is meant to guide the analysis of whether an award is a gift, or a sponsored award. There will be cases in which ambiguity remains after analyzing the terms and conditions of an award with this Decision Matrix. In such instances, please refer to the Gift vs. Sponsored Award Policy, and next seek input from the appropriate Submitting Office and ADS.

Step 1

Gather and review all documentation submitted and/or received associated with the funding. Such documentation might include proposal documentation (e.g. statements of work, budget), the award letter or funding agreements, including any attachments or terms incorporated by reference, and any other correspondence with the funder regarding the award.

1. Is the funder entitled to deliverables, including, <i>e.g.</i> , intellectual property rights, or tangible products of the research (excluding limited progress reports and copies of final publications)? ¹	Yes	No	Unsure
2. Is the funder entitled to the return of unspent funds?	Yes	No	Unsure
3. May the funder terminate the agreement and/or demand the return of unspent funds if specific research or project plans have not been implemented or for noncompliance with prior approval or reporting requirements, or other similar restrictions placed on the funding?	Yes	No	Unsure
4. Is there any preferential treatment, or an economic benefit to the funder (e.g., use of sponsor services, products, or materials)?	Yes	No	Unsure
5. Does the funder retain significant oversight and/or control over the project or funding?	Yes	No	Unsure

Step 2 – answer the following questions.

If the answer to **any** of the above is, “Yes,” this is a sponsored award and should be routed through the appropriate Submitting Office. If **all** of the above answers were “No” or “Unsure,” proceed to Step 3, below.

¹ Tangible properties include equipment, records, technical reports, theses, or dissertations. Intangible properties include rights in data, copyrights or inventions.

Step 3 – answer the following questions.

1. Is the funder a local, state, federal, or foreign governmental agency ² ?	Yes	No	Unsure
2. Does the funder require detailed financial or technical reporting ³ ?	Yes	No	Unsure
3. Does the funder have any right to assert a pre-publication review?	Yes	No	Unsure
4. Does the funder retain a right to approve changes to the statement of work, personnel, or budget?	Yes	No	Unsure
5. Does the project involve collaborating with the funder's personnel?	Yes	No	Unsure
6. Is there a specific commitment regarding the level of personnel effort, items of output, or achievement of specific performance targets?	Yes	No	Unsure
7. Is there a requirement to adhere to a line-item budget and either a detailed fiscal report, invoice or an external audit of the project?	Yes	No	Unsure
8. Is there a specified period of performance?	Yes	No	Unsure

If the answer to **any** of the above is, “Yes,” this is likely a sponsored award and should be routed through the appropriate Submitting Office. If **all** of the above answers were “No,” this is likely a gift and should be routed through Alumni and Development Services (ADS).

If the appropriate classification is still not clear, consult the Gift vs. Sponsored Award Policy for more detailed guidance. When the categorization of funding remains uncertain, the Submitting Offices, ADS, and if appropriate, OTD and the Office of the Provost should consult before making a determination. In cases of continuing uncertainty about the appropriate categorization, the Provost and the University Chief Financial Officer will consult and reach a final determination.

² If we have received a sponsored award from the funder in the past, this information is available in GMAS as the entity's “Organization type.”

³ In a Gift, it is not unusual for a donor to expect a report on the general uses of funds donated (for example, a list of activities or projects that have been supported by the Gift). In a Sponsored Award, both the University and its faculty are usually responsible for reporting on progress and results to the sponsor at intervals or milestones identified in the Sponsored Award. Sponsors usually stipulate as part of the terms and conditions of an Award that they have discretion to examine, even on a line-item basis, the expenditures of the Sponsored Award funds, and to disallow and demand repayment of any funds determined to have been expended for purposes other than direct support of the defined activities.