Research Gift vs. Grant

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Today's Topics

- When is Classification Required?
- Gift vs. Grant Definitions
- Gift Procedure
- Tips
- Summary
- UCI Resources

When is Classification Required?

- Classification & Form 700U are required for all research gifts from non-governmental organizations earmarked by the donor for a specific principal investigator or a specific research project

- Gift vs. grant classification not required for the following:
  - Gifts not involving research activities
  - Gifts from individuals
  - Gifts from governmental organizations
  - Gifts from not-for-profit educational institutions
  - Gifts from organizations listed on the UC Exempt Non-Governmental Entities list

UCI Definitions

*Outside organizations and companies use the terms, "gift" and "grant," interchangeably, making UCI's gift vs. grant classification necessary

Gift

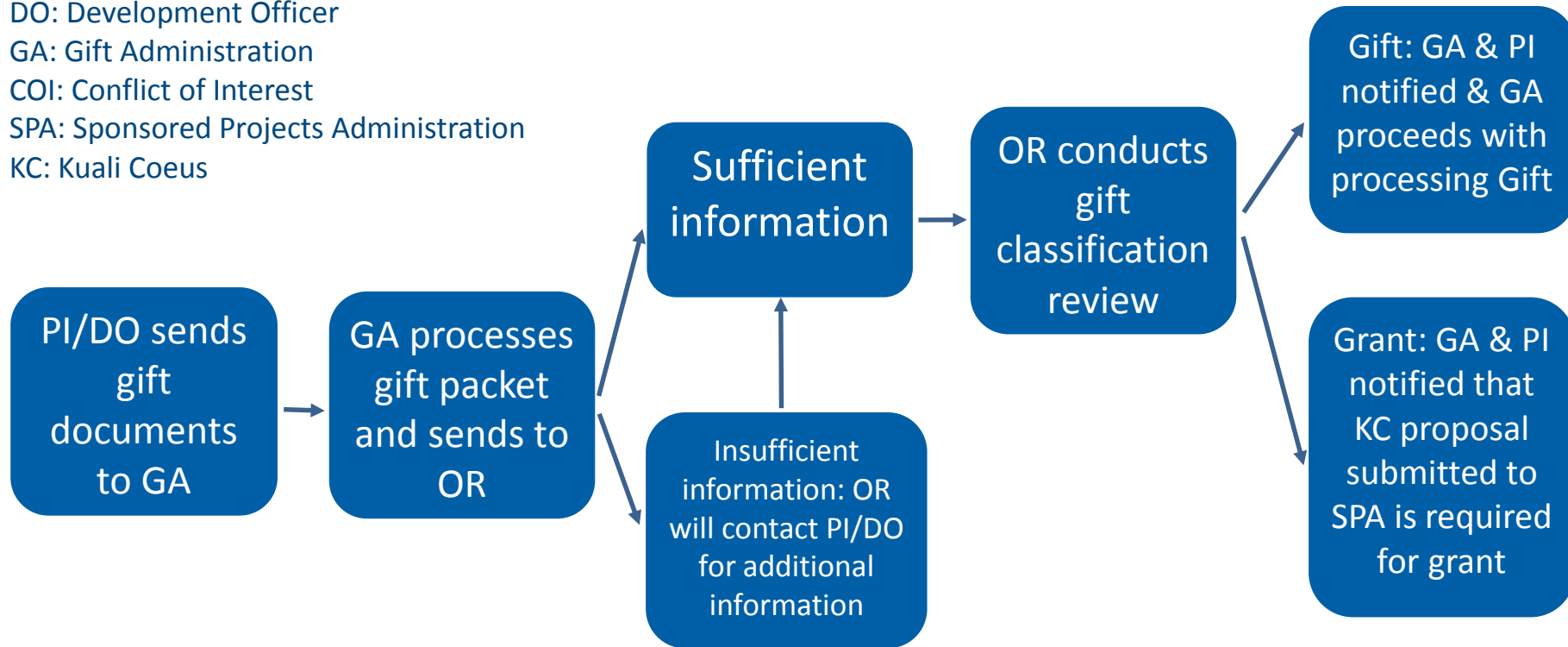- Unrestricted use of funds
- "No strings"- no deliverables or benefits expected by the donor
- No donor-imposed time limits
- Minimal reporting
- Not fee for service
- Proposition 209 Compliant

Grant

- Terms and conditions
- Sponsor expects deliverables and/or technical and financial reports
- Specific timeframe/project
- Audits
- Return of funds
- Termination possible
- Intellectual property
- Subsequent funding dependent on sponsor receiving report

Gift Procedure: Classification

PI: Principal Investigator
DO: Development Officer
GA: Gift Administration
COI: Conflict of Interest
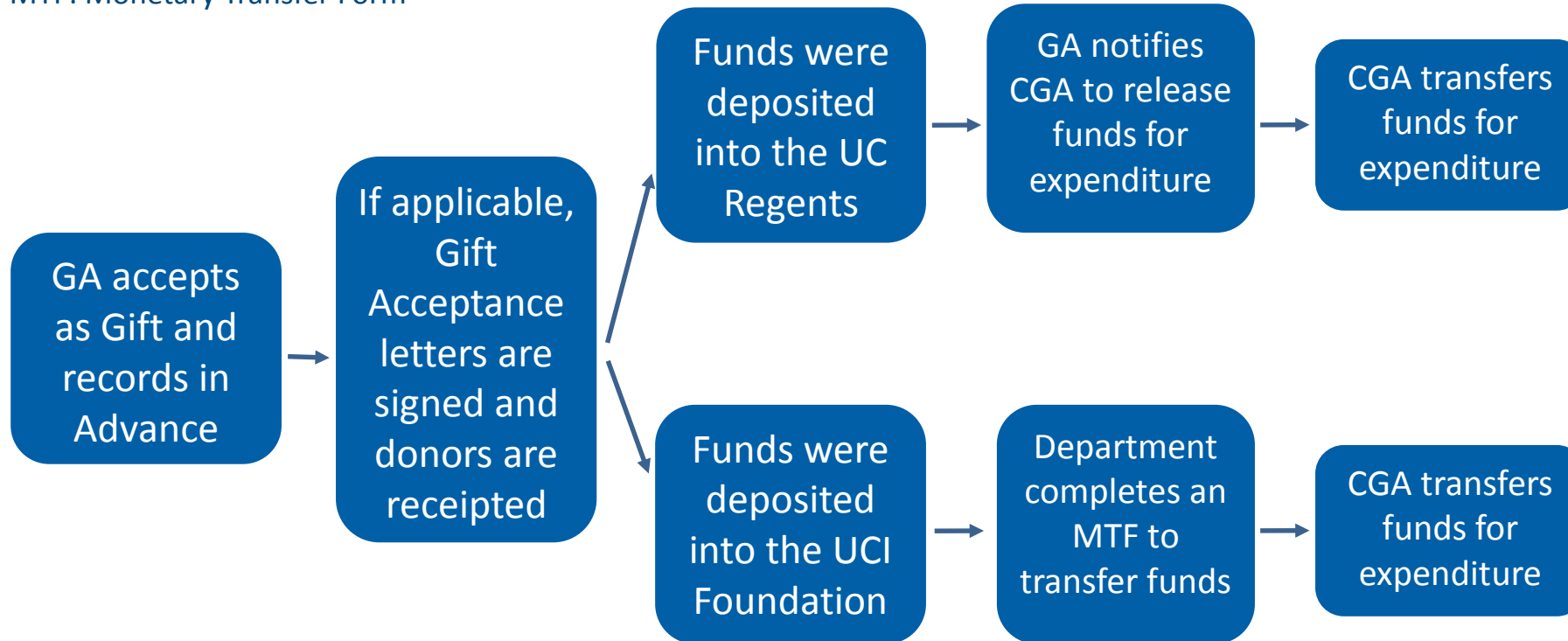SPA: Sponsored Projects Administration
KC: Kuali Coeus

PI/DO sends gift documents to GA → GA processes gift packet and sends to OR → Sufficient information → OR conducts gift classification review

Insufficient information: OR will contact PI/DO for additional information

Gift: GA & PI notified & GA proceeds with processing Gift

Grant: GA & PI notified that KC proposal submitted to SPA is required for grant

Gift Procedure: After Gift Approval

GA: Gift Administration
CGA: Contracts and Grants Accounting
MTF: Monetary Transfer Form

GA accepts as Gift and records in Advance → If applicable, Gift Acceptance letters are signed and donors are receipted

Funds were deposited into the UC Regents → GA notifies CGA to release funds for expenditure → CGA transfers funds for expenditure

Funds were deposited into the UCI Foundation → Department completes an MTF to transfer funds → CGA transfers funds for expenditure

Tips
Before submitting to Gift Administration

- Contact Gift Administration or Conflict of Interest if the application or award letter has unusual language or terms and conditions prior to submitting or signing any documents
  - Gift Administration and Conflict of Interest can provide advice on how to process the funding
- Type of funding (gift, grant, contract, sales & service, etc.) determines who has the delegated signing authority
- Provide as much information as possible to Gift Administration for gift processing. We should be able to answer the following questions at a minimum based on the gift packet:
  - Who? Identities of donor and recipient
  - What? Type or amount of gift, any terms & conditions, any requirements/expectations from donor
  - Why? Application (if applicable), donor's intent of gift, recipient's planned use of gift

Ideal gift packet

- A copy of the completed gift transmittal form that includes fund information and donor information
- Original gift/donor letter/email, stating: Donor's intended purpose and naming the recipient of the gift
  - Whether the donation is irrevocable
  - Donation amount
  - Whether use of donation is unrestricted
  - Any restrictions or terms set by the donor
- All other correspondence or material that accompanied the gift letter
- Original, signed (wet-ink) Principal Investigator's Statement of Economic Interests, Form 700-U, if (1) the gift is earmarked for a specific researcher or a specific research project and (2) the donor is a non-governmental entity (excluding individuals) not listed on the UC Exempt Non-Governmental Entities list
  - For positive disclosures, include the Gift Addendum (Form COI-2)
- Any proposals or written documents provided to the donor for its consideration prior to receipt of the donation
- Original check (Foundation gifts only)
- Copy of the acknowledgment letter, if available

Tips
During and After submitting to Gift Administration

During

▶ Respond to email requests for additional information from Gift Administration and Conflict of Interest

After

▶ Gift vs. grant classification is determined based on language in gift/grant acceptance letter

▶ If a gift is ultimately determined to be a grant, it may qualify for the overhead/indirect cost reduction or waiver under UCI/UC policy

    ▶ Work with your SPA Officer to submit a request if applicable

Summary

- Ask Gift Administration or Conflict of Interest if you see any non-standard language in a gift application or donor letter prior to submitting the application or signing any gift/grant acceptance letter

- If not provided, request a donor letter for the gift that includes all the necessary information for a gift classification

- Provide our offices with all the relevant information available to facilitate the review and processing of the funds

- Answer email requests

UCI Resources

- Research Gifts, http://www.research.uci.edu/compliance/conflict-of-interest/other-disclosures/research-gifts.html

- Gifts vs. Grants, http://www.research.uci.edu/compliance/conflict-of-interest/other-disclosures/gifts-vs-grants.html

- Gifts and Endowments section of Zot!Portal, https://portal.uci.edu/uPortal/p/webproxy-cms-file-view.ctf1/max/render.uP?pP_cmsUri=public%2FAccounting%2FGiftsEndowments%2FMainMenuGiftsEndowments.xml