

Gift or Sponsored Project Indicators

In some cases, it is difficult to distinguish between a gift and a sponsored project when external support is requested from sponsor/donors. The purpose of these indicators is to describe the standards used to classify external support and to identify appropriate procedures for accepting external support.

If, after reviewing definitions and considering the intent of the source of funding and nature of the agreement in question, there remains a question about the proper classification of an award, the following list of indicators should be used. This collection of indicators—which may be used by faculty and/or staff—should be viewed as a continuum. Placement toward one side or the other, taken together with the analysis of the source of funds and the terms of the agreement, should help to classify questionable awards.

GIFT (a voluntary provision of external support by a donor, without any requirement for receipt of any economic or other tangible benefit in return)	Y E S	N O	SPONSORED PROJECT (a project receiving external support by a sponsor—including research, scholarly work, training, workshops—that has defined performance requirements)	Y E S	N O
For a general or specific purpose, e.g., endowment, capital projects, line of research, faculty support or student financial aid			For a specific statement of work, e.g., specified protocol, experiments, testing of hypotheses, particular line of inquiry		
May be for any activity at the university, e.g., department, library, arts, scholarship, facilities, research/instruction activities, etc.			Usually for a specified research project but may be for instruction or other sponsored activity		
Funding does not require reporting back to donor on research risk items.			Project scope of work includes research risk items that require compliance monitoring, including, but not limited to: human subjects, vertebrate animals, conflict of interest, etc.		
Payment can be made in installments or paid in full			Payment is made on a cost-reimbursable, fixed price or milestone payments basis		
Donor may request progress reports, but no deliverables other than non-technical reports and use of funds as requested and awarded			Deliverables defined by agreement, e.g., technical reports, data, results, IP rights, equipment, etc.; funds may be withheld pending delivery of results		
Publication attribution may be encouraged or agreement may be silent on attribution			Publication attribution required, usually with credit to sponsor		
Award is irrevocable			Sponsor expects return of unexpended funds		
No required pre-approvals for expenditures			Certain expenditures may require prior written approval by sponsor		
Donor reserves the right to audit to ensure intent of gift is met			Sponsor has audit requirements to ensure compliance with terms and conditions of the award		
Some gifts may be combined into one fund (if for the same purpose)			Must be separately budgeted and accounted for		
Qualifies for tax treatment as charitable contribution by donor			May qualify for basic research tax credit for sponsor		
No obligation or agreement to share data with donor; donor willing to sign gift agreement relinquishing intellectual property and data rights to University.			Sponsor expects access to data, primary records, or has ability to audit data collection		

Special Considerations:

Equipment Gifts – While the OSU Foundation (OSUF) is the preferred recipient, export controlled equipment gifts should not be accepted by OSUF.

If an award can only be given to a 501(c)(3) organization, but still meets the characteristics of a sponsored project, OSUF will write a subagreement to OSU. OSUF will confer with the Office of Sponsored Programs/Office of Post Award Administration regarding commitments (e.g., cost sharing) before acceptance of an award. In cases where OSUF is the recipient, they will be responsible for reporting back to the sponsoring agency.

In the event a gift comes to Oregon State University, the Office of Post Award Administration will be responsible for providing an acknowledgement letter to the sponsor. If a gift comes to the University from a donor on the key corporate/foundation lists, the letter will be prepared in collaboration with the OSU Foundation.

Gift or Sponsored Project Determination Process

The following steps should be taken when making a determination of gift or sponsored project. Decision-makers will collaborate with each other, resulting in an objective determination.

Level One - The department/center/institute makes initial determination based on Gift or Sponsored Project Indicators Chart.

Level Two - If a department/center/institute cannot determine if an award is a gift or a sponsored project, the Office of Sponsored Programs or the Office of Post Award Administration should be consulted. The two offices will confer and the Director of Sponsored Programs will provide written documentation of the decision to all parties.

Level Three - In cases where it is more difficult to make a determination, the Office of Sponsored Programs, the Office of Post Award Administration and the OSU Foundation will review the information jointly and make a decision. The Director of Sponsored Programs will provide written documentation of the resolution to all parties.

Level Four - In cases that are particularly difficult to resolve, the Vice President for Research, Vice President for Finance and Administration and the President of the OSU Foundation will review the information jointly and make a decision. The Director of Sponsored Programs will provide written documentation of the agreed-upon resolution to all parties.