



Gift vs. Grant

Often individuals receive money and have difficulty differentiating whether it is a gift or a grant. The criteria for determining whether funds are categorized as a gift or grant sometimes overlap and require evaluation based on a number of characteristics listed below. Not all characteristics must be present, however, if in doubt please contact ORA for review and disposition.

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| Definition | Gifts are irrevocable transfers of assets, i.e. contributions from private sources, for which <u>no goods or services are expected, implied, or forthcoming in return to the donor</u> , and in which no proprietary interests are to be retained by the donor. | Grants are those undertaken by the University with the support of an external entity which <u>expects in return specific outcomes</u> that either directly benefits the provider or a public purpose. |
| Represents | An unconditional transfer of cash, securities, etc. which is voluntary and non-reciprocal | An “exchange transaction” in which each party receives commensurate value |
| Also Referred as | The term “gifts” refers exclusively to private gifts, even though such gifts may be termed “grants” by corporations and foundations. | Sponsored Activities, Research Grant, Sponsored Research |
| Reporting | Limited financial reporting or progress reporting for stewardship purposes only | The provider requires the University to report on how the funds were spent and/or what progress has been made in accomplishing the goals of the activity |
| Time Period | No specific time period | Usually has a specified time period over which the work will be done (a start date and an end date) |
| Funding | General restrictions on the use of funds without controlling the expenditures | Any right to direct expenditures including choosing vendors and/or subcontractors. Sometimes requests that unused funds must be returned to the awarding agency/foundation/corporation |
| Processed by | Development and Alumni Relations | Office of Research Administration |
| Audit | No audit | Right to audit |
| Intellectual Property | No Intellectual property or publication rights | Contains intellectual property provisions, including exclusive rights, first right or shared rights, etc. |
| Examples | Naming of a room, building, program, college/school, scholarship, etc. | Any testing of a sponsor’s drug Any clinical trial |

Please note that in some cases it may not be readily apparent if the award is a gift or a grant. In these cases the Office of Research Administration will review the documentation and decide which classification is most appropriate. If you are unsure if it is a gift or a grant, please contact mra@med.miami.edu.