

Gift, Sponsored Project of Something in Between? Reference Guide for Processing External Funds

(Information taken from A Guide to Resource Development at UT Austin)

The University defines a sponsored project to be any externally funded research or scholarly activity that has a defined scope of work or set of objectives, which provides a basis for sponsor expectations.

The following list of characteristics is provided as a means of further clarifying how external funds from non-governmental entities will be classified and processed at The University of Texas at Dallas. The existence of one factor alone may not be determinative of whether projects should be channeled through Office of Sponsored Projects (OSP). Multiple factors should be considered in order to decide whether a sponsored project exists and therefore must be processed through OSP according to procedures set forth by that office.

A Private Funding Application Process Flowchart is available online on the OSP and University Advancement websites.

Characteristics of a sponsored project

1. Sponsor requires specific deliverables (e.g., final technical report, evaluation, technical assistance, training). This does NOT include minimal requirements, generally relating to required donor pledge payments and the University's commitment to effectuate the donor's intent (i.e., stewardship)
2. Sponsor requires return of unexpended funds.
3. Award designates a sponsor employee (agent) as project technical monitor, as opposed to designating a contact person to improve communications.
4. Award contains intellectual property rights provisions and/or technology transfer.
5. Award restricts or monitors publications or use of results.
6. Award payments are contingent upon programmatic or fiscal reporting (e.g., specific milestones, invoices.)
7. Award includes "boilerplate" terms and conditions imposed by the project sponsor or negotiated with the sponsor by the University.
8. Award requires protection of sponsor and confidential information.
9. Award contains an itemized budget, which requires sponsor approval to modify and/or that is subject to the provisions of federal cost accounting standards.
10. Request for funding will be used to fulfill a matching or cost sharing commitment on another sponsored project or requires a matching, cost sharing or other financial commitment from the University.
11. The project is linked to other sponsored research projects or contracts being conducted by faculty/research.
12. Project involves the use of human subjects, vertebrate animals, radioisotopes on humans, radioactive materials, recombinant DNA, human body substances, etiologic agents or proprietary materials.

Not Considered Sponsored Projects Activities

Supported by a donor that are generally not considered sponsored projects may include the following characteristics:

1. Award supports an unrestricted purpose or such activities as:
 - a. endowments (e.g., endowed chairs, professorships),
 - b. capital projects (e.g., construction or renovation, equipment),
 - c. general student support (e.g., scholarships, fellowships),
 - d. general research support (see also "Research Gifts" section below).
2. Award contains only minimal requirements, generally relating to required donor pledge payments and the University's commitment to effectuate the donor's intent (i.e. stewardship).
3. Award requires only minimal reporting to the sponsor donor in the form of a general statement of how funds were used (e.g., annual report, acknowledgement letter, IRS forms).
4. Awards are irrevocable.
5. Research Gifts: Gifts made to support a general area of research that:
 - 1) do not require specific deliverables and
 - 2) do not exhibit other aforementioned characteristics of a sponsored project are regarded as research gifts. Such gifts are not subject to assessment of indirect costs and are deposited into 26 "no-overhead" accounts.

For many reasons, it is important for this type of private support to be tracked by **both** OSP and by University Advancement for reporting and stewardship purposes, respectively.

To obtain additional information or assistance, please do not hesitate to contact University Advancement or OSP.