

**Distinguishing Grant/Gift/Contract Classification Checklist**

PI: \_\_\_\_\_ Department: \_\_\_\_\_

Project Title (if applicable): \_\_\_\_\_

Sponsor/Donor: \_\_\_\_\_ Amount: \_\_\_\_\_

This checklist is a job aid intended to provide guidance to assist in determining if a transaction is a research gift or grant. The governing documents for this assessment shall be the fully executed agreement documents between the university and the sponsor. For additional information please refer to **Appendix A – Distinguishing between a Gift, Grant and Contract Supporting Research.**

1. Is the funding provided by the government (federal, state or local)?

Yes \_\_\_\_\_ No \_\_\_\_\_

**If yes, stop here. The funding should be processed as a GRANT (Fund 15 award). If no, continue to questions 2-10.**

2. Is the funding provided by an individual (not an organization)?

Yes \_\_\_\_\_ No \_\_\_\_\_

**If yes, stop here. This funding is a gift. If no, continue to 3-10**

3. Is there a specific commitment regarding level/percentage of effort for faculty or personnel, or an obligation to spend a certain amount of time on the project?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Is the university required to provide detailed financial reporting beyond a brief summary of how the funds are spent?

Yes \_\_\_\_\_ No \_\_\_\_\_

5. Is the university required to return unspent funds at the end of the work?

Yes \_\_\_\_\_ No \_\_\_\_\_

6. Is there a detailed line item budget for this work that is approved by the funder and requires the university to request approval from the sponsor for budget changes?

Yes \_\_\_\_\_ No \_\_\_\_\_

7. Are there any publication restrictions?

Yes \_\_\_\_\_ No \_\_\_\_\_

8. Are there compliance restrictions for Conflict of Interest, Human Subjects, Use of Animals, Hazardous Materials or Export Controls?

Yes \_\_\_\_\_ No \_\_\_\_\_

9. Is the sponsor/donor requesting rights to intellectual property?

Yes \_\_\_\_\_ No \_\_\_\_\_

10. Is there indirect costs affiliated with the project?

Yes \_\_\_\_\_ No \_\_\_\_\_



**Loyola  
Marymount  
University**

**If at least one question 3-10 is yes, stop here. The funding should be processed as a GRANT (Fund 15 award). If all are no, continue to questions 11-12.**

11. Is the University committed to perform services, a specific project detailed in a research plan or statement of work.  
Yes\_\_\_\_\_ No\_\_\_\_\_
12. Is the university obligated to provide deliverables, such as reports, research results, study data or other tangible items?  
Yes\_\_\_\_\_ No\_\_\_\_\_

**If at least one question 11-12 is yes, the funding should be processed as a CONTRACT (Fund 12 award). If both are no, it should be processed as a GIFT.**

**APPENDIX A  
Distinguishing between a Gift, Grant and Contract Supporting Research**

	<b>Gift</b>	<b>Grant</b>	<b>Contract</b>
<b>Source</b>	Individuals; Foundations; Donor Advised Funds; Corporations	Government Agencies; Non-Profit Organizations; Corporations	Non-federal Government Agencies; Non-profit Organization Foundations, Corporations
<b>Purpose</b>	Gifts are used in accordance with the intent of the donor and for the purpose of the gift fund to which they are processed.	Funds are provided in support of an institutional goal or public purpose designed by the Principal Investigator.	Procurement mechanism for purchasing a specific service or product or to support faculty or center-led research.
<b>Proposal Process</b>	Informal process, with proposals created for certain donors, programs and/or projects. Would likely contain a summary of the project or program costs, as a fundraising "ask"; no deliverables or quid pro quo included.	Formal process, usually including a statement of work and budget. May be in response to a request for proposals or other funding announcement which could be broad or specific.	Formal process, usually including a statement of work and budget. May be in response to a request for proposals or other funding announcement. Has Deliverables.
<b>Scope of Work/ Budget</b>	N/A	The Principal Investigator defines the scope of work which is included in the award document.	Joint or Sponsor defined Scope of Work which is included in the contract.
<b>Document</b>	Most gifts have no formal documentation. If documentation exists, it may be a gift letter, or other governing document outlining the intent of the gift. All endowments must have a governing document. <i>Note. For pledges of \$25,000 or greater, LMU requires a written gift agreement stipulating the amount, purpose, payment period, gift administration and donor recognition for a commitment.</i>	Award Letter or Grant Agreement	Contract, memorandum of understanding, or other Agreement signed by CFO.
<b>Value Exchanged/ Deliverables</b>	Nothing beyond an assurance that the intent of the gift will be honored. The donor receives no consideration in exchange for the gift.	Deliverables are provided as outlined in the scope of work including a final report or other tangible deliverables. Acknowledgement the sponsor in any publications	Goods or services are delivered on specific dates, which might be referred to as milestones as defined in the contract.
<b>Reporting</b>	Courtesy reports to the donor about the impact of the gift are encouraged but generally not required.	Specific reporting requirements as defined in the agreement, which might include progress reports and a final report.	May require progress reports, which may coincide with milestones as defined in the contract.
<b>F&amp;A (Indirect Costs) C</b>	N/A	F&A cost are typically assessed at the University's federally negotiated rate, or a reduced or no rate as determined by the sponsor's written policy.	F&A cost are typically assessed at the University's federally negotiated rate, or a reduced or no rate as determined by the sponsor's written policy.
<b>Deadline/Period of Performance</b>	N/A	Specific period of performance is defined	Specific period of performance is defined
<b>Excess Funds</b>	Gifts cannot be returned to the donor, unless exceptions are made when the gift is made (e.g. contingent project dates or program milestones must be met.)	The sponsor may require return of unspent funds.	The sponsor may require return of unspent funds.

<b>Penalty for Non-Performance</b>	No financial penalties, but the reputational risk of noncompliance can be severe.	Sponsor may terminate the award and require the return of some or all funds.	Sponsor has the right to stop work or terminate the contract for non-performance.
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