

The University of Tennessee

Gift or Sponsored Program

This document will assist you in identifying the distinctions between a gift and a sponsored program (contracts & grants). Companies often use the terms “gifts” and “grants” interchangeably, but they have very distinct meanings for the University. In general, “gifts” are charitable contributions for which the company does not receive any tangible benefits in return. It is, essentially, a donation. A “sponsored program” (contract & grants) differs in that the sponsor has outlined a specific statement of work and there are expectations by the sponsor in exchange for the financial support provided.

The University and the sponsoring agency are legally bound to uphold these expectations (commonly referred to as "deliverables") which are specifically defined by each party in a written agreement. Thus, when making the determination between a "gift" and "sponsored program," there are three basic questions to ask:

1. Are there deliverables?
2. Is there a written agreement?
3. Does the sponsor have specific and expected returns?

If you answer 'Yes' to ONE OR MORE of these questions, then the funding is considered "sponsored program" and should be processed through the Sponsored Programs Office.

If you answered NO to ALL of the questions, then the funding is considered a “gift” and should be processed through the Development office.

Deliverables

Deliverable entails providing:

- Product
- Service
- Technical or scientific report(s)
- Fiscal reports (including invoices) and expenditure reports

Agreements

A written agreement may contain:

- Administrative terms and conditions for use of the funds
- Provisions for intellectual property
- Provisions for reporting
- Provisions for publication rights
- Any other legal provision

Specific and Expected Returns

Specific and expected returns include:

- Statement of work detailing the work to be performed
- Providing sponsor access to the research results
- Identification of a begin and end date for the project

In some cases, the distinction between gifts and sponsored program activity can be difficult to make. For assistance with this determination, please contact either Miriam Campo, Director of the Sponsored Programs office at 974-2465 or at mcampo@utk.edu; or Theresa Sears, Assistant Director at 974-8394 or at tsears@utk.edu.