



Mount Sinai

Determining Whether a Project is a Gift or a Sponsored Project

Funding, particularly when received from a non-profit entity (i.e., foundation, corporate foundation, private organization, or corporation), is sometimes difficult to classify as a gift or sponsored project.

Information is provided in this document to clarify the differences and to assist in determining whether the project is a gift or a sponsored project. This document is organized in the following sections:

- [Definitions](#)
- [Institutional \(i.e., Grants and Contracts Office and Development Office\) Processes](#)
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Sometimes a funding entity may refer to a “gift” as a “grant,” or vice versa. Mount Sinai uses the information provided in this document to determine whether the funding is a gift or a grant and will process the funding accordingly regardless of the funding entity’s wording.

Definitions

Gift: A gift is the voluntary, non-reciprocal transfer of money or property from a donor to an institution. The donor may be an individual, a corporation or a non-profit organization. The donor does not expect anything of value in return other than recognition and does not have control over expenditure of the funds. A gift may meet the interests of the donor and can be restricted or unrestricted. A restricted gift is a contribution designated for a specific purpose, program, or project. If the donor does not specify any restrictions, the gift is unrestricted and the institution allocates the funds at its own discretion. A gift may or may not require a formal written agreement. Only the Development Office may accept gifts on behalf of the Institution.

Sponsored Project

A sponsored project is an externally-funded activity or activities in which a formal written agreement, is entered into by Mount Sinai and the extramural funding agency generally after a competitive peer review process. These awards often require performance of specific duties such as research and typically require budget reports, progress reports, and the return of unused funds. Below are the primary types of sponsored projects.

1. Grant

A grant is an assistance mechanism providing money, property, or both to Mount Sinai to carry out research or other approved project or activity.

2. Contract

A contract is an acquisition mechanism for procurement of a product or service with specific obligations for both Mount Sinai and the extramural funding agency and recipient. Typically, there are greater performance expectations associated with contracts, including project

milestones and detailed deliverables (e.g., reports). The arrangement is usually designed to benefit the extramural funding agency by achieving an expected outcome or product.

3. Cooperative Agreement

A type of grant award in which there is substantial scientific or programmatic involvement from the extramural funding agency. Substantial involvement means that, after award, scientific or program staff will assist, guide, coordinate, or participate in project activities.

4. Other Transaction Authority (OTA)

An other Transaction Authority is limited to those government agencies and operational divisions with appropriated authority, and is a funding mechanism which targets non-traditional sources and allows a high degree of flexibility in how the agreement is awarded. Funding agencies are not required to apply typical government procurement and grant laws to OT awards

Any funding that meets the criteria above provided by U.S. Government agencies at the federal, state, or local level in support of Icahn School of Medicine at Mount Sinai is treated as a sponsored project. Government funds are not treated as gifts. Funding from voluntary health organizations or associations, such as the American Cancer Society or American Heart Association, is usually treated as a grant and not a gift.

Institutional Processes

Grants and Contracts Office (GCO) Process

All sponsored project applications are prepared in InfoEd and routed for approval through the department(s) in which there are key personnel each year of the project. When an institutional signature is required, the GCO is the institutional office that endorses sponsored project applications on behalf of the Icahn School of Medicine at Mount Sinai (ISMMS). All sponsored projects must be submitted through InfoEd and reviewed by the GCO before submitting to an external funding agency, including those where an institutional signature isn't required.

All sponsored project agreements are reviewed and signed by the Grants and Contracts Office. Additional information regarding different types of research related agreements and the ISMMS offices involved in their review and approval can be found in the [Agreement Navigator](#).

Development Office Process

The Development Office handles all gifts. In addition, the Corporate and Foundation Relations Team in the Mount Sinai Development Office is able to assist with applications for certain non-government grants. This includes, but is not limited to, grants from foundations, both professionalized and family, corporations or professional organizations and associations. The priority of the Development Office is to provide assistance for funding initiatives that fall within Mount Sinai's strategic plan. If you would like support from the Corporate and Foundation Relations Team, please contact devcorpfound@mounsinai.org. Please note that all grants must also be submitted through the Mount Sinai Grants and Contracts Office (GCO) via InfoEd. If an institutional endorsement is required on a grant application, the GCO signs the application.

Hospital Sponsored Projects Office (HSPO) Process

Individual hospitals within the Mount Sinai Health System administer a small number of sponsored projects through the Hospital Sponsored Programs Office (HSPO). Investigators submit sponsored projects to HSPO for review and approval only when the ISMMS is not eligible or does not function optimally as a recipient institution. HSPO also reviews and signs the sponsored project agreements that correspond to the sponsored projects that are submitted to HSPO.

If you submit the sponsored project to HSPO, do not also submit it to the GCO.

Please review the [HSPO website](#) for more information. Please contact olga.carr@mountsinai.org for assistance.

Table of Indicators: Gift vs. Sponsored Project

Factor	Gift Indicator	Grant Indicator
Source	<ul style="list-style-type: none"> • Individuals • Donor-Advised Funds 	<ul style="list-style-type: none"> • Government Agencies • ISMMS as the subawardee institution
Purpose	The donor may specify an area of interest or a goal to be funded with their gift.	The funding agency specifies how the funds should be used, as outlined in supporting documentation (award letter or sponsored project agreement.)
Value Exchange	No implicit or explicit value is exchanged other than recognition.	
Reporting	Reporting, when required, is of a general nature, including broad research updates and other progress.	The funding agency requires performance of specific duties such as research, budget reports, progress reports, and return of unused funds.
Funding Documentation	<ul style="list-style-type: none"> • Gift Agreement • Donor Acknowledgement Letter • Tax Receipts sent to Donor 	<ul style="list-style-type: none"> • Notice of Award (NOA) • Grant Agreement
Deadline/Terms	Per terms in the Gift Agreement	Typically requires a specific time period for conducting projects.
Excess Funds	n/a	May be required to return to the funding agency.
Penalty for Non-Performance	Per terms in Gift Agreement	Penalties may exist for failing to use the funds or to deliver the items on a timely basis.

Frequently Asked Questions

1. Question:

A private foundation is funding my research lab and they sent me a “Gift Agreement.” In the gift agreement, they are requesting access to my data. Is this really a gift?

Answer:

Funding agencies sometimes refer to “grants” as “gifts,” and that is what is happening in this case if they are requesting access to data. This is not a gift. Please submit your project to the GCO via InfoEd. And please submit the “grant agreement” to the GCO at contracts@mssm.edu to review.

2. Question:

A family foundation donated \$50,000 in support of my research. They are asking for a statement of how the funds were spent and a final report. Does this project need to be logged in at the GCO?

Answer:

If the foundation is requesting a more general statement regarding how the funds were used rather than a line item expenditure report and the final report is minimal, no, this project is considered a gift and does not go through the GCO. This would be considered a Stewardship Report, and the Development Office may be able to assist you. Please contact the Corporate and Foundation Relations team at devcorpfound@mountsinai.org.

3. Question:

The Development Office is assisting me with a grant submission. That means that I don't need to submit this project to the GCO, correct?

Answer: This is not correct. All grant applications are submitted to the GCO as per Mount Sinai's standard institutional policy. Please do submit via InfoEd.

4. Question:

The Development Office is assisting me with a grant submission and the application needs an institutional signature. The Development Office can sign my application, correct?

Answer: This is not correct. All grant applications are reviewed and endorsed by the GCO. If you are in a non-binding stage of the application process (e.g., submitting a letter of intent) the Development Office can sign your application. Your contact in the Development Office can help with any questions on this process.

5. Question:

The Development Office assisted me with a grant submission and it's going to be awarded. The foundation sent me the agreement. The Development Office can sign my grant agreement, correct?

Answer: This is not correct. All grant agreements are reviewed and endorsed by the GCO.

Gift vs. Sponsored Project Checklist

Instructions:

Provide answers to the questions and include comments when necessary. Review documentation associated with the funding for indications of whether the funding should be considered a sponsored project or a gift. Below are examples of documentation that will aid in the decision.

- Statement of Work or Project Description
- Proposal or Letter of Intent, or request for funding including budget
- Other correspondence
- Award Letter

Since we aim to make this determination before the submission of the project to the funding agency, an award letter in most cases will not be available.

Use of this checklist is optional.

PI Name: _____

Project Title: _____

Funder: _____

1. Is the funding provided by the U.S. Government, at the federal, state, or local level?
_____ Yes _____ No

Comments:

If Yes, this is a sponsored project. Do not proceed further on this checklist.

2. Is the funding provided by an individual (not an organization)?
_____ Yes _____ No

Comments:

If Yes, this is a gift. Do not proceed further on this checklist.

3. Statement of Work (a commitment to a specific project plan, as opposed to a general field of study or research area; the commitment describes a specific line of scholarly inquiry such as testing of a hypothesis, experiments, a model project or a defined set of deliverables)?
_____ Yes _____ No

Comments:

4. Detailed line item budget for work (i.e., commitment of percentage of effort)?

Yes No

Comments:

5. Return of any unexpended funds at the end of a designated period (i.e., “Start” and “Stop” dates)?

Yes No

Comments:

6. Detailed financial reporting beyond a summary report of expenditures (e.g., line item detail, percentages of effort)?

Yes No

Comments:

7. Terms and conditions for the disposition of tangible property (e.g., equipment, records, technical reports, theses, dissertations or other deliverables)?

Yes No

Comments:

8. Terms and conditions for the disposition of intangible property (e.g., intellectual property, rights in data, copyrights)?

Yes No

Comments:

Sponsored Project: If you answered “Yes” to any of questions 3 - 8, this is a sponsored project.

Gift: If you answered “No” to all the questions from 3 - 8, this is a gift.

This gift vs sponsored project checklist was adapted with permission from University of West Georgia ORSP.