Symposium for Research Administrators

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Gift, Sponsored Project, Or Fee for Service

Definitions & Tips for Making a Determination
Introductions

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Why does it matter?

- Administrative units involved, pre-award
- Fund classification structure might be affected
- Gifts are (usually) not subject to an F&A rate
- The sponsor expectations might require a certain level of oversight
- Roles and responsibilities are likely different for sponsored and gift funds, and definitely different for fee for service contracts.
- Intellectual property rights
Sponsored Programs (funds 133 or 144)

Grants

• There is a specific statement of work or purpose attached to the funds.
• Grants include a defined period of performance or a beginning and end date.
• There may be detailed financial accountability required.
• Typically will require detailed project report(s) throughout the period of performance.
• Usually more discovery oriented, so may not have specified deliverables
Sponsored Programs (funds 133 or 144)

Contracts or Cooperative Agreements

• Outcome oriented with specified obligations for both sponsor and recipient.
• Sponsor typically is more involved to achieve specified outcome, often with research idea originating with sponsor.
• Legally binding document for specific results/deliverables.
• Often defined IP ownership.
• Negotiable terms and conditions.
Fee for Service (fund 136)

- Contract for the procurement of services versus research and development.
- Services should only include already developed tests, methods, and tools, and not include any new development.
- Invoicing and accounting happen at the department or subunit level.
- There is an annual 5% central fee levied on fund 136 accounts.
- Schools/Colleges may assess an additional fee ("tax") on service activities.
Gifts (fund 233)

• There are no contractual requirements imposed. However, gifts may be for a stated purpose.
• There is no requirement to return unexpended funds.
• There is no formal fiscal accountability. Financial reports required are not required.
• There is no retention by the donor of any intellectual property rights.
• A gift is irrevocable.
UW Foundation

• The University of Wisconsin Foundation is an entirely separate entity from the University of Wisconsin.
• The UW Foundation is a 501(c)3.
• Most colleges/schools host a “director of development” from the UW Foundation.
• Funds are transferred from the UW Foundation into fund 233 projects (usually).
The Bill and Melinda Gates Foundation provides $20,000 in scholarship funds to first generation college students.

- Are the funds being distributed to individual students?
- How are the students selected?
- What are the funds meant to support?
- Does the Gates Foundation want to know how the funds were spent or to whom they were given?
Microsoft provides $40,000 to support a state of the art Computer Science lab on campus (total est. cost: $1M).

- Is this a general donation to the lab?
- Are the funds meant to support a specific part of the lab?
- Does Microsoft want to have a say in how the funds support the lab?
- Does Microsoft want to know how the funds were ultimately spent?
MMSD would like UW-Madison to administer a survey to about 500 subjects in their district.

- What does “administration” of the survey entail?
- What rate is the University planning on charging MMSD?
- What is the scope of the project?
- Who owns the data resulting from the survey and what will be done with it?
Questions?