



# Symposium for Research Administrators

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University of Wisconsin-Madison  
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# Gift, Sponsored Project, Or Fee for Service

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Definitions & Tips for Making a Determination

# Introductions

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# Why does it matter?

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- 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)

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## 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)

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## 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)

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- 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)

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- 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

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- 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.

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- *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).

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- *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.

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- *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?*

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# Questions?