GRANTS vs. GIFTS

A grant, contract, cooperative agreement, sub grant, subcontract, consortium agreement, purchase order, or memorandum of understanding (hereafter collectively referred to as "grant") is an agreement formalizing the transfer of money or property from a sponsor in exchange for specified services (e.g., research and development), and may require specific deliverables including financial and/or technical reporting by the recipient. The agreement is enforceable by law, and performance is usually to be accomplished within a specified time frame, with payment subject to revocation. It may include provisions related to intellectual property and publication rights. Entities awarding these funds are referred to as sponsors. Grants are received and administered by the Office of Sponsored Programs (OSP) at Montana Tech of The University of Montana.

A gift or donation (hereafter referred to as "gift") is a voluntary and irrevocable transfer of money, services, or property (including equipment, intellectual property) from a donor without any expectation of or receipt of direct economic benefit or provision of goods and services from the recipient. Entities awarding these funds are referred to as donors. A gift implies no responsibility to provide the donor with a product, service, technical or scientific report(s), or intellectual property. Gifts are received and administered by the Montana Tech Foundation.

**Government entities** are always sponsors. Private-sector entities (private foundations, corporate foundations, corporations, private agencies, professional associations) may be either donors or sponsors depending on the terms and conditions imposed on the funds. NOTE: The non-payment of facilities and administrative costs (also called indirect costs or overhead) is not a factor in determining whether the award is a grant or a gift.