

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.