

UC BERKELEY GUIDANCE FOR COMPANIES

**Should you provide a gift to support research or enter into a sponsored research agreement (contracts & grants) with the University of California, Berkeley?**

Companies can support the University of California, Berkeley in many ways such as hiring students, sending employees to the University as student or guest lecturers, and publicly supporting the University’s goals. Two of the most common ways companies work with the University by making gifts to support research at the University, or by sponsoring research at the University. Making a research gift and sponsoring research (through contracts or grants) at the University have very different outcomes, requirements, and procedures for both the University and the company. Depending on your company’s goals, each mode of supporting research may be appropriate in different situations. This document will assist you in identifying the distinctions between research gifts and sponsored research (contracts or grants) . The Industry Alliances Office should be contacted for further assistance.

Companies often use the terms “gifts” and “grants” interchangeably, but they have very distinct meanings for the University. Generally, “gifts” are charitable contributions for which the company does not receive any tangible benefits in return, while sponsored research “contracts or grants” are used when a company wants to identify a particular scope of work, and guarantee access to the research results. The chart below identifies common distinctions.

	<b>Research Gifts</b>	<b>Sponsored Research/ Contracts &amp; Grants</b>	<b>Notes</b>
<b>Purpose</b>	Designated unrestricted funds to support the research of one or more specified faculty members or research programs	Funds to support a specific statement of work e.g., specified protocol, experiments, testing of hypotheses, particular line of inquiry	We may ask about your “intent” for the funding in order to properly assign the funds as gift or contract/grant.
<b>Managing Document between Company and University</b>	Gift Letter	Contract or grant	
<b>Managing Campus Office</b>	Corporate and Foundation Relations	Industry Alliances Office	
<b>Deliverables Company may ask for</b>	No deliverables (Company may receive reports and may be invited to observe at open research reviews)	Deliverables are defined by a formal, written contract and may include reports, research results, limited IP rights, equipment, or other specified services or considerations.	
	University has no obligation or agreement to share data/research results with donor. University manages intellectual property and data rights to University according to standard	Sponsor receives access to research results, internal rights to use intellectual property, and the first right to negotiate for intellectual property which results from the research.	Gifts are meant to benefit the university and the public while sponsored research agreements permit, a sponsor to direct work more specifically toward company purposes, although the university does not engage in

	policy. Donor may request progress reports.		work-for-hire.
	<b>Research Gifts</b>	<b>Sponsored Research/ Contracts &amp; Grants</b>	<b>Notes</b>
<b>Tax Implications</b>	Qualifies for tax treatment as charitable contribution by donor	May qualify for basic research tax credit for sponsor	Check tax law for your jurisdiction
<b>Publications</b>	University has rights and responsibilities to publish scientifically novel work	University has rights and responsibilities to publish scientifically novel work	
	University may attribute sponsor in work	University will attribute sponsor in publication	
		Company will have a limited review period of planned publications in order to remove sponsor's confidential information	
<b>Form of proposal</b>	University typically sends a request for support e.g., a proposal from an individual, a department, office or school	A specific scope of work with a budget is provided to the sponsor through the authorized office (either Sponsored Projects Office or the Industry Alliances Office)	
<b>Finances</b>	No requirement for return of unexpended funds.	Budgets and project period may lead to unexpended funds that must be returned if no approval to carry forward or extend project	
<b>Indirect Fees/Costs</b>	10.5%	52%.	

For more information please contact:

Gift or Grant Designation: Industry Alliances Office: Lynne Hollyer, lhollyer@berkeley.edu

Gifts and Research Gifts: Corporate and Foundation Relations: (510) 642-6635

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