
UCLA Policy 921: Accepting Support for Research from Nongovernmental Organizations

Issuing Officer: Vice Chancellor for Research and Creative Activities
Responsible Dept: Office of the Vice Chancellor for Research & Creative Activities
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I. PURPOSE & SCOPE

UCLA has traditionally accepted support from Nongovernmental Organizations. Such support takes many forms and has been used for a variety of purposes including fellowship and scholarship support, capital projects, and research. This Policy provides guidance in determining how to classify Support for research from Nongovernmental Organizations awarded to The Regents of the University of California on behalf of the Los Angeles campus.

II. DEFINITIONS

For the purposes of this Policy:

Nongovernmental Organizations refers to non-profit and for-profit organizations, including individuals that function independently of government.

Support refers to, but is not limited to, money, and in-kind items such as equipment, scarce research materials, knockout mice, etc.

III. POLICY STATEMENT

Support from Nongovernmental Organizations for research may be processed as contracts, grants, gifts, or Material Transfer Agreements (MTAs) depending on the specifics of each award.

Contracts, grants, gifts and MTAs for research are differentiated from sales and services activities in that they provide support for *nonstandard* testing or other services. Sales and service activities involve the delivery of a standardized product or service at a pre-established, per-unit price that has been approved in accordance with [UCLA Policy 340: Sales and Service Activities](#).

A. Criteria for Classifying Support

1. Contracts, Grants and MTAs

Support processed as grants, contracts or MTAs typically includes requirements such as a specified period of performance; a stipulation that funds unexpended at the end of that period will be returned to the sponsor; a specific scope of work to be followed; the reporting of expenses incurred for the project; maintenance of auditable financial records; disposition of intellectual property rights; or other conditions or obligations required of the University in order to receive the funds. Grants, contracts and MTAs are awarded via written agreements that document the terms and conditions associated with the Support.

- The intent of most grants is the provision of "financial assistance" to support a specific project proposed by the University on behalf of a specific research laboratory. In most cases, only technical and financial reports are required; there are generally no other deliverables.
- Contracts commonly specify performance expectations and, in addition to technical and financial reports, obligate the University to provide deliverables on a specified timetable. When University-owned intellectual property (IP) is optioned or licensed, and the licensee or optionee wants to provide research Support to the inventors of that IP, it is most appropriate to classify those funds as a contract.
- An MTA is entered into by a provider and a recipient of research material. The intent of the MTA is to protect the intellectual property rights and other rights of the parties while permitting research with the material to proceed. The most common subjects of MTAs are biological materials and chemical compounds. MTAs may also be used to transfer other types of materials including, but not limited to, databases and software. The provider of the materials does not provide research funding for the project. The materials are not to be used in humans.

2. Gifts

- The criteria for determining which awards are to be processed as gifts are not rigid. Rather, the determination that a particular award is, or is not, to be considered a gift is a matter that requires thoughtful judgment.
- In general, gifts are awarded irrevocably by individuals or organizations external to the University without any expectation of a quid pro quo and without any contractual obligations imposed upon the University. Gifts are nonrefundable and nontransferable to other institutions. An administrative fee, established by the Chancellor, is imposed on all gifts upon acceptance.

B. Receiving/Accepting Support from Nongovernmental Organizations

Before the University can accept Support from a Nongovernmental Organization for a specific research project, the proposed project must be reviewed and approved at the department, school or college level, in accordance with established policy for the review of all proposed sponsored research projects, see [UCLA Policy 910](#) and [Procedure 910.1](#).

Research Support received from Nongovernmental Organizations must be reviewed at the department, school, or college level in accordance with criteria listed in Section III.A, above, to make a preliminary determination about the appropriate classification of the award. Based on such determination, related documents will be forwarded to:

- Gift Services, for the acceptance of gifts;
- Office of Research Administration (ORA), for the acceptance of contracts and grants from Non-Profit Organizations;
- Technology Development Group (TDG) for the acceptance of contracts from for-profit organizations;
- Technology Development Group for MTAs.

IV. RESPONSIBILITIES

Gift Services is responsible for the acceptance of gifts from Nongovernmental Organizations.

Accounting (including account setup) for gifts made to The Regents is handled by Corporate Accounting. Gift Services will review gift materials, including tender of Gift forms and other relevant documentation, submitted by departments or schools to verify that funds may be accepted as gifts. In cases where the classification of a gift is in question, Gift Services will request that the ORA Senior Director of Contract and Grant Administration (OCGA), in consultation with the Director of Industry Sponsored Research in TDG, make a determination as to how the funds should be classified. Depending on the outcome of the review, the ORA Senior Director or ISR Director (as appropriate) will advise Gift Services as to whether

they should complete the gift acceptance process or notify the Principal Investigator and/or the PI's Departmental Business Office about redirecting the paperwork to facilitate acceptance of the Support in another manner.

The Office of Research Administration is responsible for the negotiation, execution, acceptance, and administration of research contracts and grants from Nongovernmental Organizations and government sponsors.

The Technology Development Group is responsible for the negotiation, execution, acceptance, and administration of research contracts with for-profit entities, and all MTAs.

V. REFERENCES

1. [University Regulations Revised No. 4](#) (PDF), Special Services to Individuals and Organizations (APM 020) 6/23/1958;
2. University of California Contract and Grant Manual, [Chapter 1](#), Academic Policy; [Chapter 2](#), Proposal Submission and Award Acceptance/Administration;
3. [UCLA Procedure 910.1](#), Approval and Submission of Contract and Grant Proposals;
4. Memorandum from Associate Vice President Lawrence C. Hershman and University Controller Joseph A. Pastrone, 7/28/1993;
5. Memorandum from President David S. Saxon: Review of Gifts/Grants for Research, 7/8/1980;
6. Memorandum from Chancellor Charles E. Young, 9/24/1982;
7. Memorandum from Chancellor Charles E. Young: Management of Contract and Grant Funds, 3/1/1978.

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**Questions concerning this policy or procedure should be referred to
the Responsible Department listed at the top of this document.**
