

**The University of Texas at Austin
University Development Office**

Unrestricted Research Gifts

It is important to distinguish between a gift to support research, which may be accepted by a college, school, or the Development Office, and a research award to support a sponsored project, which is administered through the Office of Sponsored Projects.

Gifts to support research—or Unrestricted Research Gifts (URGs)—may not include any terms or conditions beyond a general statement of purpose. Typical language in transmitting an URG is as follows:

“The XYZ Corporation is pleased to provide \$XXX as an unrestricted gift (grant or award) to The University of Texas at Austin to support research in the area of (general discipline/research area) under the direction of Dr. ZZZ.”

With an URG, no budget restrictions may apply; no scope of work may be defined; no technical deliverables may be required (although a simple stewardship report is permissible); and no constraints may be imposed with regard to intellectual property, confidentiality, or publication of results. There is typically not a term imposed for expenditure of funds. If students are to be hired with the funds, these individuals cannot be named by the donor, as UT Austin retains the right to select employees and recipients of scholarships/fellowships. As with all charitable gifts, there may be no commercially valuable benefit to the funder.

URGs are not subject to indirect costs; however, the Cockrell School imposes a “research recovery fee” of 4.5% on URGs to Engineering. This percentage should be disclosed upfront or in acknowledgement letters to donors who support engineering research with their gifts. Recommended language is as follows: *“Per the policy of the Cockrell School of Engineering, four and one-half percent of this gift will be directed to School-level costs associated with conducting the research.”*

URGs are handled in 30 accounts, whereas sponsored project awards are handled in 26 accounts. Sponsored projects are typically characterized by many of the elements not allowable in URGs—e.g., defined scope of work, required technical and financial reporting, term of grant, intellectual property and confidentiality conditions, etc.

If a UT Austin signature is required on a gift letter transmitting an URG, the head of the University Development Office is the appropriate signator. In some cases the faculty member overseeing the research program is asked to sign as well. If an “invoice” is required, the Development Office may issue a request for the funds.

For information and assistance on Unrestricted Research Gifts, please contact Maria Nehring (5-9625 or mnehring@austin.utexas.edu) or Dawn Sanchez (2-2303 or dsanchez@austin.utexas.edu).