Evaluating Grant Opportunities from Private Foundations

Academic medical centers seeking research or educational development grants look to many sources, especially in times of decreasing federal grant success rates and tightening institutional budgets. While most institutions have robust policies in place for applying for and monitoring federal grants, funding opportunities from private foundations require additional considerations. Accepting funds from those organizations that are well-known to researchers and institutions alike may pose few reputational or research integrity risks. However, when a small, new, or relatively unknown foundation presents a funding opportunity, institutions should conduct a reasonable amount of due diligence prior to applying for or accepting these grant funds.

The AAMC has developed this resource to assist institutions that are considering responding to a call for proposals to conduct research or develop educational curricula or content. The intention of this resource is not to tell academic institutions which foundations or corporate sponsors should be considered as funding sources, but to raise the considerations and key questions that should guide such a decision. Difficult problems require cross-sector collaborations and new approaches, and this may include working directly with industry partners or corporate funds. Such decisions should be deliberative and thoughtful, with all available information.

Fundamental Institutional Considerations

Understanding the source of the funds for the foundation, assessing how the goals and mission of the funder aligns with the academic mission of the institution, and asking some key questions about the terms and conditions of the award can help institutions evaluate funding opportunities.

- What is the originating source of funds for the agency? What are the consequences of those funds supporting your work?
- What are the mission, vision, and values of the potential funder or its original donor? Do they align with your organization? If not, do conflict with your organization's mission, vision or values?
- Are the terms and conditions of the award consistent with other grants the institution has received? (See the Special Considerations section below.)

Key Actions for Institutions

Determine the Source of Funding

A private foundation that provides domestic or international grants related to a specific purpose or cause may be established with funding from a single independent source, such as a corporation or individual, or be established with funds from several sources. A legally independent nonprofit entity may still retain meaningful connections to those sources through their governance structures or shared leadership. Private foundations are governed by their donors or a board of directors and are established for the purpose of giving. The original funding source may be apparent, especially if the name is clearly affiliated with a larger company or organization. Identifying the source of funding is a critical step before applying for or accepting grant funds. Institutions should conduct due diligence to gain an understanding of the foundation's origins, research objectives, and intentions.

- Does the foundation have a close tie to a single company? Does the governance structure of the foundation, including the board of directors and foundation leadership, suggest independence or a strong tie to that company?

- Was there a press statement or similar statement announcing the establishment of the foundation? How was the relationship between the company and the foundation described?
- Does the foundation's mission statement relate to the establishing company's priorities and operations?
- Are there structural barriers or policies that create a firewall between the foundation and related commercial or for-profit entity to reduce actual or perceived biases in the awarding or management of grant funds?

Assess Your Institutional Resources to Facilitate Decision Making

Institutional policies and committees can be useful in helping faculty and administrators to identify concerns and additional questions to ask before accepting foundation funds. Knowing the available resources in your own institution can be useful when assessing a new funding opportunity.

- Does your institution have a relevant institutional COI policy?
- Has the grant been reviewed by your COI committee, COI office, or contracts and grants office?
- Does your institution have other relationships, previous or current, with the granting foundation or the establishing company or organization?
- Has the scope and duration of the relationship with the granting foundation been considered? Is this a one-time grant or a long-term multiyear agreement?
- Is your institution's mission aligned with the granting foundation or establishing company's research practices, goals, or products developed?
- Does the grant involve students or trainees? If so, are there proper safeguards and protections in place related to authorship policies and/or non-disclosure provisions?

Special Considerations Depending on Grant Type

There may be unique issues specific to the type of grant that should be evaluated by your institution. Some concerns may be apparent only after the successful application for an award, when the terms and conditions of the award are made available. Carefully review the terms of the proposed grant agreement and consider the interests and expectations of all parties. In carrying out this evaluation, the following circumstances may call for heightened scrutiny:

Clinical, Basic Science, or Population Health Research

- Does the award impose restrictions on presentations, research publication or disclosure of research results?
- Is the proposed research dictated or managed after grant award by the foundation's board of directors or does the grant require review and/or prior approval of presentations, research conclusions, and dissemination of research results prior to submission?
- Are there any restraints on intellectual property, including patents, royalties, or licensing fees? Do such restrictions seem reasonable and consistent with industry standards? Who will own the outcomes of the research?
- Is there a requirement that a researcher from the granting foundation or affiliated company participate on the research team?
- Are there other restrictions or practices that may cause public concern or increase the potential for conflicts of interest?

Educational Research, Program Evaluation, Curriculum Development

- What role does the foundation play in the development of educational materials and resources? How much agency does the institution have in curriculum design and/or development?
- Are there restrictions on author acknowledgement in research publications or educational presentations?
- Who will own the outcomes of the research or the developed documents or resources?
- Has the foundation imposed limitations on educational research, program evaluation, curriculum design, or educational competencies? Does the foundation require the research goals and/or deliverables to be framed in a way that solely benefits the mission or research objectives of the foundation?
- Is there a requirement that a member of the foundation serve on the design or evaluation team for the duration of the grant?

Patient Service, Community Engagement, Health Outreach

- Are there limitations or parameters for the grant awardee related to treatment modalities or approaches?
- Does the grant establish priorities for or manage the development of clinical practice guidelines?
- Does the grant prevent or manage partnerships with local and national community organizations (e.g., patient advocacy organizations) or target specific groups of individuals?
- Do the grant terms give the foundation sole direction over community outreach strategies or limit communication about the partnership?

References and Additional Resources

AAMC Conflict of Interest Resources (www.aamc.org/coi)

AAMC Report, Industry Funding of Medical Education

Institute of Medicine, Conflict of Interest in Medical Research Education and Practice, 2009