
UT System Administration Sponsored Program Manual



Prepared by
The University of Texas System Administration
Office of the Controller

201 West Seventh Street, ASH 5th Floor
Austin, Texas 78701
512.499.4527
www.utsystem.edu/cont

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INTRODUCTION

It is the intent of this *UT Sponsored Program Manual* to identify, clarify, explain, and assist principal investigators and department administrators with the preparation of the proposals and the administration of the awards from external sponsors so they are better informed and able to operate and maintain productive sponsored programs.

TYPES OF AWARDS

Grants

Contracts

Cooperative Agreements

PRE-AWARD ADMINISTRATION

Each proposal requesting external funding is a legal document binding UT System Administration (UTS) to fulfill the conditions specified in the proposal. Thus, it is the principal investigator's responsibility to ensure that the proposal complies with the UTS policies, mission, and obligations. All proposals submitted will be reviewed for appropriateness and consistency with the mission of UTS.

As soon as funding source is identified, contact the Grants and Contracts Manager (GCM) in the UTS Office of the Controller to develop a timeline for the development of the proposal.

Proposal Development

1. Identify Funding Sources

A variety of external funding sources located in [Appendix I](#).

2. Initial Contact with Sponsor

Contact with a sponsor prior to the submission of a formal proposal can be beneficial. Initial contact can help a principal investigator determine a sponsor's funding interests. A sponsor may request that a letter of intent or a preliminary proposal be submitted. These preliminary submissions provide the sponsor a description of the project and scope of work without making a formal commitment from UTS.

3. Proposal Application Guidelines

Proposal format is often determined by a sponsor's guidelines. The following sections demonstrate basic proposal components that maybe used as a guide when sponsor requirements are not specific.

Proposal Components

Typical proposal should include the following items:

a. Cover or Title Page

- Principal Investigator's name, address, phone number, fax number, email address
- Title of proposal
- Sponsor name, address, telephone and fax number
- Period of project performance with start and end dates
- Amount requested
- Submission date
- Signature of the Authorized Organizational Representative (AOR)

b. Abstract

Abstract describes the objectives, methodology, and significance of the proposed project. It should stand alone and does not include references to other sections of the proposal.

c. Introduction

A brief description of the proposed project's objectives, endorsement to support credibility in the project area, any related work which may be in progress, and any other pertinent background information as required by the sponsor.

d. Description of Project

The project description describes the approach used in the performance of the project which should convince reviewers at the funding agency that the project plan of execution has been carefully worked out and will succeed.

e. List of personnel

Include name and title of all key personnel. Non-professional personnel should be listed by title or function only.

f. Bibliography

A listing of references cited in the body of the proposal

g. Curriculum Vitae

Curriculum Vitae for all key personnel should be included with every proposal to indicate their professional and academic background, professional interests, research capabilities, and publications relevant to the proposed project.

h. Budget and justification

Budget Preparation

The budget includes a reasonable estimate of financial support necessary to conduct the proposed project and justification of expenses. It must conform to the sponsor's instructions and applicable policies of UTS. For multiple year budgets, realistic inflationary increases for recurring expenses should be included. The following categories are generally included in the proposal budget:

Direct Costs¹

Direct costs are those costs that can be identified specifically with a particular sponsored project or that can be directly assigned to such activities relatively easily with a high degree of accuracy. OMB circular A-21 provides the criteria for direct charging of expenses to a sponsored project. The basic principle is that any costs directly charged to a sponsored project must be allocable, allowable, reasonable and necessary, and treated consistently.

*Allowable Costs*²

All costs being charged to the federal and non-federal sponsors must be allowable under the terms of a specific award and OMB Circular A-21. While OMB Circular A-21 is the authoritative source regarding federal project, non-federal agencies also refer to OMB Circular A-21 as well. For consistency, OMB Circular A-21 shall be used on all sponsored projects at UTS.

*Unallowable Costs*³

Unallowable cost means any cost which, under the provisions of any pertinent law, regulation, or sponsored agreement, cannot be included in prices, cost reimbursements, or settlements under a sponsored agreement to which it is allocable. Principal

¹[OMB A-21](#), "Cost Principles for Educational Institutions", Section D

²[OMB A-21](#), "Cost Principles for Educational Institutions", Section J

³[OMB A-21](#), "Cost Principles for Educational Institutions", Section J and Cost Accounting Standards, Section 9905.505 -- Accounting for unallowable costs - Educational institutions.

investigators are responsible for notifying the GCM if they receive correspondence from an agency specifying that one or more costs are disallowed.

Direct costs include the following items:

1. Salaries and Wages

Salaries and wages should be budgeted commensurate with the proposed level of effort and can be paid only for time an individual is working on the project. Salary charges for work performed on sponsored agreements must be based on the individual's total annual compensation unless sponsor policies further limit salary charges. This compensation is known as Institution Base Salary (IBS). Refer to the UTS [Institutional Base Salary Policy](#).

The salary section of the budget should include the names and titles of all personnel who will be working on the project along with the percentage of time (effort) each person will devote to the project and the salary or percentage of salary requested. Effort must not exceed 100% of total effort, and employees cannot be compensated at an amount greater than their authorized salary level. For appropriate salary ranges contact the Office of Employee Services.

2. Fringe Benefits

Fringe benefit amount can be calculated by multiplying the salary by the appropriate fringe benefit rate. Rates are varied according to employment category. Confirm fringe benefits rates with the GCM.

3. Consultants

Consultants include any person who is not a UTS employee that will work on the project. List each consultant and indicate the nature of the service to be performed on the project and the rate of the reimbursement. Costs may include fees, travel, accommodations, and other related expenses. A letter of intent from the consultant must be included in the proposals.

4. Equipment

An article of nonexpendable, tangible property, or equipment having a useful life of more than one year and an acquisition cost which equals or exceeds \$5,000. The grantee must get a prior approval from the sponsor to purchase equipment that has not been authorized or included in the original budget.

5. Supplies

Any item having an acquisition cost of less than \$1,000 and life expectancy of less than one year. Examples of supplies are paper, pens, and folders. A reasonable amount should be budgeted for these items, but it is not necessary to breakdown the cost of each item.

6. Travel Costs

Identify travelers, destination, duration, and purpose of the trip. Travel costs include transportation, accommodation, registration fees, and other related costs. If a personal automobile is used for travel, indicate the number of miles to be traveled and calculate the cost using the [official mileage reimbursement rate](#).

7. Subcontracts

If a portion of the work is to be completed by another institution or firm, identify the organization by name and indicate the total anticipated costs. A subcontractor's letter of intent signed by authorized representative must be included in the proposal.

8. Consultants

List each consultant and state the nature and rate of the service to be performed. Consultants' letter of intent must be included in the proposal.

9. Other Expenses

Identify any other expenses necessary for completion of the project such as publication costs, postage, and long distance telephone charges.

10. Facilities and Administrative (F&A) Costs or Indirect Costs

F&A costs are those that are incurred for a common or joint purpose and cannot be identified readily and specifically with a particular sponsored project or any other institutional activity. Examples of F&A costs are general postage, general office supplies, utilities, buildings and grounds, and general administrative salaries.

An F&A cost rate is applicable to all sponsored projects funded by federal, state, or private sponsors. The application of this rate allows UTS to recover certain costs associated with externally-funded activities that, although they are incurred true costs, cannot be identified specifically with a particular project.

Read the sponsor program guidelines. If there is a limit on F&A rate, the program guidelines or announcement will list the rate to be used. If the guidelines do not mention F&A rate, indicate that something other than the applicable federally negotiated

rate should be used, or indicate that F&A rate is not allowed, the appropriate full rate should be used. If a potential sponsor has a policy concerning the reimbursement of F&A costs, the budget should reflect that policy.

To determine the appropriate amount of F&A costs to be budgeted, multiply the current rate by total direct costs, *exclusive of* student tuition, scholarships, equipment costs, capital expenditures, and subcontract cost in excess of \$25,000.

The UTS current negotiated [F&A rate agreement](#) is located on the Office of the Controller web site. The Office of the Controller can assist in the development of proposal budget. Always follow the guidelines provided by the funding agency.

Cost Sharing⁴

Cost sharing is that portion of a total sponsored project's *costs that are paid from sources other than funds provided by the sponsor*. Cost sharing can either be committed (mandatory or voluntary) or uncommitted (OMB A-110).

- Mandatory Cost Sharing is required by the sponsor as a condition of an award.
- Voluntary Cost Sharing is not required specifically by the sponsor but offered by the grantee. Once voluntary cost sharing is included in the budget, it is considered committed cost sharing.
- Uncommitted Cost Sharing is not required by the sponsor. It is the contributions amount over the committed budget. Uncommitted cost sharing does not have to be documented or reported.

Cost sharing has a significant financial impact on the department providing funds and UTS as a whole. It becomes a binding commitment that must be accounted for and tracked in a consistent manner. UTS strongly discourages cost sharing arrangements for all sponsored programs, as these arrangements involve unique accounting procedures and require funding resources from UTS.

Cost sharing arrangements also necessitate increased monitoring to ensure compliance. All departments proposing cost sharing commitments must obtain approval from the Office of the Controller and the Executive Vice Chancellor for Business Affairs prior to proposal submission. Refer to the [UTS Cost Sharing Policy](#) for additional information.

⁴[OMB A-110](#), "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations", Subpart C, Section 23

Proposal Review and Approval

UTS solicits and accepts awards in the form of contracts, grants, and cooperative agreements from a variety of organizations including federal, state, local, industrial, and private foundations for research, instruction, training, and other sponsored program activities. If any department anticipates soliciting a grant or contract or as soon as a funding source is identified, the following steps are to be completed prior to submitting the request for Executive Vice Chancellor for Business Affairs' signature and subsequent submission to the sponsoring organization.

1. Inform the GCM in the Office of the Controller via email of any proposal submission plans including the submittal deadline.
2. Once finalized, submit the proposal to the GCM AND the Office of General Counsel (OGC) at least two (2) weeks in advance of the sponsoring organization's submittal deadline. The proposal will be reviewed to ensure compliance with the sponsoring organization's requirements and UTS policies and guidelines. Include with the proposal any special program announcements (hard copy or web address) or required proposal preparation guidelines AND a completed Office of Business Affairs [Contract Processing Checklist](#).
3. If the department is unable to provide the proposal to the GCM and OGC two weeks prior to a deadline, both the GCM and OGC should be **notified as far in advance as possible**, so they will be aware of the short review time. Shortened timeliness should be an exception.
4. Upon review completion, the GCM and OGC will contact the department for corrections or omissions in the proposal. At their discretion, the GCM and OGC may require that the proposal be returned for additional review. The completed, finalized proposal package will be forwarded to the Authorized Organizational Representative (AOR) for final approval and signature and returned to the department for submission.

A completed, finalized proposal package includes:

- Proposal
- Budget
- Transmittal letter
- Sponsor's specific forms
- F&A Cost Rate
- Contract checklist

POST-AWARD ADMINISTRATION

Notice of Award (NOA)

The first formal indication that an award has been funded is in the form of an agency Notice of Award (NOA). The NOA is typically sent directly to the proposing department or to a Principal Investigator (PI). A NOA is the legal document issued to notify a recipient organization (grantee) that it has received an award and that funds may be requested from the sponsor. For grants, this notice is usually known as a NOGA or Notice of Grant Award. Typical NOA will include:

- Dates of the funding period
- The amount of funds authorized by the sponsor during the period indicated
- Special terms and conditions binding the award
- General terms applicable to the award

It is critical that the PI carefully reviews the award notice, particularly the terms and conditions of the award, before accepting the award to clearly understand just what the award entails. It is recommended that OGC be involved in the review process. Further negotiation between the PI and the sponsor may be necessary to eliminate or revise unnecessary or inappropriate terms and conditions of the award. Once agreed to, the terms and conditions are legally binding and must be followed by both the recipient and the awarding agency. A copy of the NOA should be forwarded to the GCM along with the account set up request.

Establishing an Account

Upon receipt of the award document, the PI and/or department administrator will provide copies of any relevant documents and award conditions to the Office of the

Controller. A new account will be created and a budget will be recorded in the accounting records at the equal amount proposed and/or received.

MISCELLANEOUS ADMINISTRATIVE POLICIES AND PROCEDURES

Regular Monitoring of Expenditures

Grantees (principal investigators) are responsible for managing day-to-day operations of their grant throughout the project period. Accounts are to be monitored and reconciled regularly to ensure that expenditures and revenues are within applicable limits and guidelines.

Benefits:

- Ensure revenues have been received properly
- Ensure costs incurred are within the budget period and project timeline
- Discover errors in the budget or expenditures
- Verify corrections and/or cost transfers are made in a timely manner
- Avoid overspending
- Ensure Principal Investigator/project leader that the project is in compliance with the sponsor's spending terms and conditions
- Ensure committed cost sharing (if any) has been fulfilled
- Provide clean record for audit

Cost Transfer

A cost transfer is an after-the-fact-reallocation of costs. During the life of an award, it may be necessary to transfer costs. To comply with OMB Circular A-21, cost transfers or adjustments are often needed to correct the initial cost assignment. It is necessary to explain and justify transfers of charges from one award to another. Examples of cost transfer include:

- Correction of a clerical error
- Number of time and effort hours worked were initially assigned and posted incorrectly
- Labor hours or other costs were inadvertently posted to the wrong project

Requests for cost transfers or adjustments should be made within ninety (90) days of the initial posting of the transaction using a [Cost Transfer form](#). Cost transfers within

ninety (90) days must have approval signatures from the principal investigator, department head, and the GCM.

Cost transfers or adjustments requested ninety (90) days or more after initial posting will require *explanation for the late request*. Cost transfers over ninety (90) days must have approval signatures from the principal investigator, department head, GCM, *and Associate Vice Chancellor - Controller and Chief Budget Officer*. Cost transfers or adjustments requested ninety (90) days or more after initial posting of the transaction will be subject to audit and should, if possible, be avoided.

Costs allocable to a particular award agreement may not be shifted to another in order to avoid restrictions imposed by terms of the award agreement. Transfer of costs from one budget period to the next to cover cost overruns or to use up remaining funds is not allowable. Refer to the [UTS Cost Transfer Policy](#) for additional information.

Time and Effort Reporting⁵

Time and Effort reporting is a means of confirming that both the effort paid by the sponsor and the effort expended in support of a project has been performed. *Payroll distributions and Time and Effort Reports are not the same thing*. Payroll distributions allocate an individual's salary, whereas the Time and Effort Report allocates an individual's effort.

Salary distribution and effort may not be the same month by month, but by the end of the fiscal year or the certification period, they shall be in alignment within five (5) percent or less. If the salary distribution differs from the Time and Effort reported during the same certification period by more than five (5) percent, the salary distribution must be modified before the certifications are signed.

Certification is required of all personnel (professional and non-professional employees) whenever a portion of their salary (in whole or in part) is charged to a sponsored project. This after-the-fact confirmation must be signed by an individual with firsthand knowledge of effort performed and may be confirmed by responsible persons with suitable means of verification that work was performed and amounts shown are a reasonable estimate of actual work performed during the stated period. Effort

⁵[OMB A-21](#), "Cost Principles for Educational Institutions", Subpart J, Section 10.b(2).(b)

certification should reflect the percentage of actual time spent on the sponsored project expressed as a percentage of total effort rendered, not on a 40-hour work week. The total effort rendered may not exceed 100% and should include only those activities for which the individual receives regular compensation from the sponsored project agreement.

Records documenting distribution of employee's activities must be in writing and maintained for three years from the date of submission of the final expenditure report. To comply with this requirement, the [Effort Certification System \(ECS\)](#), an after-the-fact confirmation method of time and effort, is used to facilitate this reporting.

Failure to verify time and effort within the certification period or improper allocation of employee's time according to contractual agreement can result in serious penalties for UTS and/or the individual certifying their effort. These penalties may include breach of contractual agreement, financial audit disallowance of costs, loss of future awards, and adverse public image. Criminal charges may be brought against an individual certifying a falsified Time and Effort Report. All individuals working on sponsored projects at UTS are required to take *time and effort training*. Refer to the UTS [Time and Effort Management and Reporting Policy](#) for additional information.

No-Cost Extension

If the PI needs additional time to complete work on the project and with approval from the project's sponsor, the performance period may be extended with no additional funding. Normally, a no-cost extension may not exceed twelve months and usually only a single extension will be granted except for special circumstances. The request for a no-cost extension should generally contain:

1. length of time for which the extension is being requested and a justification for the extension;
2. brief statement as to progress and work remaining to be completed; and
3. estimate of remaining funds after the scheduled expiration date.

A request for no-cost extension should be made at least 30 days in advance of the end of the performance period and in writing to sponsor. The extension may not be exercised merely for the purpose of using the unspent balances. A copy of all requests must be sent to the GCM.

Reporting Requirements

Once UTS has entered into an agreement with a sponsor, it is the PI's responsibility to comply with all reporting requirements of that agreement. The PI must complete all programmatic reports including the final report and the financial report. Evidence of required report submission must be sent to the GCM. Timely reporting is essential to maintaining sponsored funding relationships. Often continued funding or payments are related to the receipt of programmatic reports. Specific reporting requirement can be found in the terms and conditions of the award.

Closeout⁶

Closeout includes ensuring timely submission of all required reports. Closeout documents (financial, performance, and other reports as required by the terms and conditions of the award) must be submitted within the timelines specified by the award's terms and conditions. Typically this is ninety (90) days after the end of the period of performance. If requested, a sponsor may sometimes approve extensions. Expenses must be completed within sixty (60) days of the project end date. All financial records should be retained for a minimum of three years after closeout unless otherwise stated. Closeout of a grant does not cancel any requirements for properly accountability, record retention, or financial accountability.

Record Retention⁷

Federal regulations require awardees to prepare, maintain, and keep adequate records of sponsored project activities.

Financial records, supporting documents, and all other records pertinent to an award shall be retained for a period of three (3) years from the date of submission of the final expenditure report. The PI is responsible for the collection, management, and retention of records. PIs should establish procedures for maintaining records and communicate them to their administrative personnel.

⁶[OMB A-110](#), "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations", Subpart D, Section 71

⁷[OMB A-110](#), "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations", Subpart C, Section 53

Longer periods of record retention may apply in the following situations:

1. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claim or audit findings involving the records have been resolved and final action taken.
2. Data must be kept for as long as may be necessary to protect any intellectual property resulting from the work.
3. If a student is involved in the project, data must be retained at least until the degree is awarded or it is clear that the student has abandoned the work.

Destruction of the record is at the discretion of the PI and his/her department head.

Records will normally be retained in the unit where produced.

APPENDICES

APPENDIX I

HELPFUL INFORMATION

- [OMB Circulars](#)
 - [A-21](#)
 - [A-110](#)
 - [A-133](#)
- [Contract Processing Check List](#)
- [Official Mileage Reimbursement Guide](#)
- [Cost Transfer Policy](#)
- [Time and Effort Management and Reporting Policy](#)
- [Cost Sharing Policy](#)
- [Institutional Base Salary Policy](#)
- [Facilities & Administrative Cost Rate](#)

COMMON INFORMATION NEEDED FOR PROPOSALS

Mailing Address: 201 W. 7th Street
Austin, TX 78701

DUNS Number: 042000273

Employer Identification Number (EIN): 74-6000203

Catalog of Federal Domestic Assistance
Number (CFDA): www.cfda.gov

Type of Applicant: State Controlled Institution of Higher
Learning

Executive Order 12372 Process: www.cfda.gov
Click on "By Agency" on the left-hand
side and choose the sponsoring agency

Fringe Benefit Rate: Call the Office of the Controller

F&A Rate: 12%

Authorized Organizational Representative (AOR):
Dr. Scott E. Kelley
Executive Vice Chancellor for Business
Affairs
512-499-4560
skelley@utsystem.edu

Grants and Contracts Manager: Joy Whitney
512-322-3769
jwhitney@utsystem.edu

All Federal grant applications require submission through the grants.gov website.

Grants.Gov - proposals must be submitted by *Business Office*.

[FastLane](#) - proposals must be submitted by *Office of Research and Technology Transfer*.

FUNDING AGENCIES AND FOUNDATIONS

There are many Federal, State, private agencies, and foundations that are potential funders. A list below contains a few examples.

- [American Express](#)
- [AT&T Foundation](#)
- [Barbara Bush Foundation for Family Literacy](#)
- [Bill and Melinda Gates Foundation](#)
- [Educational Foundation of America](#)
- [W.K. Kellogg Foundation](#)
- [Education, Department of](#)
- [Energy, Department of](#)
 - [Office of Science Grants and Contracts](#)
 - [Doing Business with the DOE](#)
- [Environmental Protection Agency \(EPA\)](#)
 - [EPA Research Programs](#)
 - [Funding Opportunities - Environmental Research Grants](#)
- [Federal Communications Commission \(FCC\)](#)
- [Federal Deposit Insurance Corporation \(FDIC\)](#)
- [Federal Emergency Management Agency \(FEMA\)](#)
- [Grants.Gov](#)
- [Health and Human Services, Department of](#)
- [Housing and Urban Development, Department of](#)
- [Interior, Department of the](#)
- [Justice, Department of](#)
- [Labor, Department of](#)
- [National Academy of Sciences \(NAS\)](#)
- [National Endowment for the Arts \(NEA\)](#)
- [National Institutes of Health \(NIH\)](#)
 - [NIH Funding Opportunities and Notices](#)
 - [NIH Office of Extramural Research](#) [Grants Policy and Guidance]

- [National Science Foundation \(NSF\)](#)
 - [NSF Fast Lane](#) **FastLane** is an interactive real-time system used to conduct NSF business over the Internet.
 - [Active Funding Opportunities](#)
- [Office of Naval Research \(ONR\)](#)
- [Small Business Administration \(SBA\)](#)
 - [Small Business Innovation Research \(SBIR\) grants and hotlist](#)
- [Social Security Administration \(SSA\)](#)
- [State, Department of](#)
- [Texas Higher Education Coordinating Board](#)
- [Texas Office of the Governor](#)
- [U.S. General Services Administration](#)
- [U.S. Department of Homeland Security](#)

FEDERAL POLICIES AND REGULATIONS

Department of Education

[Department of Education \(EDGAR\)](#)

Department of Energy

[Department of Energy \(DOE FAR\)](#)

NIH

[Award Conditions and Information on NIH Grants](#)

[Salary Limitations on Grants & Contracts](#)

NSF

[Administrative of NSF Conference or Group Travel](#)

[Cooperative Agreement General Conditions](#)

[Federal Demonstration Partnership \(FDP\)](#)

[NSF Grant Policy Manual](#)

[NSF Grant Proposal Guide](#)

[SBIR Phase I General Conditions](#)

[SBIR Phase II General Conditions](#)

APPENDIX II

GLOSSARY OF TERMS

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

A

A-21 "Cost Principles for Educational Institutions" - A circular published by the federal Office of Management and Budget (OMB) that establishes the principles for allowability of costs incurred by institutions of higher education under federally-sponsored agreements.

A-110 "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" - The OMB Circular establishing uniform administrative requirements for grants and other agreements with institutions of higher education, hospitals, and other non-profit organizations.

A-133 "Audits of States, Local Governments, and Non-Profit Organizations" - The OMB Circular establishing audit requirements for institutions of higher education and other nonprofit organizations.

Allocable Costs - Allocable costs are those allowable costs that actually benefit the grant or contract to which they are being charged. A cost is allocable to a sponsored agreement if (1) it is incurred solely to advance the work under the sponsored agreement; or (2) it benefits both the sponsored agreement and other work of the institution; and/or (3) it is necessary to the overall operation of the institution and, is deemed to be assignable in part to sponsored projects.

Allowable Costs - Those categories of costs that can be charged to an award, such as salaries and equipment.

Audit - A formal examination of an organization's or individual's accounts or financial situation. An audit may also include examination of compliance with applicable terms, laws, and regulations.

Authorized Organizational Representative (AOR) - An administrative official who, on behalf of the proposing organization, is empowered to make certifications and assurances and can commit the organization to the conduct of a project.

Award - Funds that have been obligated by a funding agency for a particular project

B

Broad Agency Announcement (BAA) - An announcement of a federal agency's general research interests that invite proposals and specifies the general terms and conditions under which an award may be made.

Budget - The detailed statement outlining estimated project costs to support work under a sponsored project.

Budget Period - The interval of time into which the project period is divided for budgetary and funding purposes, usually twelve months.

C

CAS - Cost Accounting Standards

CFDA - Catalog of Federal Domestic Assistance

CFR - Code of Federal Regulations

Close Out - The act of completing all internal procedures and sponsor requirements to terminate or complete a project.

Contract - A legally binding written agreement, subject to negotiation between two parties, and is enforceable by law, for the purpose of supporting a project for the direct benefit of the sponsor. It normally involves a procurement of goods and services and is subject to certain standards of performance initiated by the sponsor. Terms and conditions are detailed and specific to the award and generally must be negotiated prior to acceptance of the contract. Activities of the contract frequently are dictated by the sponsor. A contract is subject to certain standards of performance on the part of the recipient and carries a significant level of accountability. A contract is more restrictive than a grant.

Contract Processing Checklist - All contracts submitted to the Executive Vice Chancellor for Business Affairs requires the completion of Contract Processing Checklist. The checklist helps to ensure that the department is complying with the rules, regulations, policies and laws that regulate state and university contracting and provides documentation of that compliance to the University's delegated contract signatory.

Cooperative Agreement - A financial assistance that is similar to a grant and initiated by the sponsor. Sponsor may have substantial involvement in the activities once the award has been made. A cooperative agreement is subject to certain standards of performance on the part of the sponsor and of the recipient and carries a significant level of accountability.

Cost Accounting Standards (CAS) - Federally mandated accounting standards intended to ensure uniformity in budgeting and spending funds.

Cost-Reimbursement - An award for which the grantor agrees to reimburse the grantee for work performed and/or costs incurred by the grantee up to the total amount specified in the grant. Generally invoices containing backup information of costs incurred are required.

Cost-Sharing - A general term, used as a noun or adjective, that can describe virtually any type of arrangement in which more than one party supports a project. Example: An institution receives a grant for a total cost of \$100,000. The sponsor agrees to pay 75% (\$75,000) and the institution agrees to pay 25% (\$25,000). The \$25,000 is the cost-sharing component.

D

DHHS - The United States Department of Health and Human Services

Direct Costs - Costs that can be specifically identified with a particular project or activity. General categories of direct costs include, but not limited to, salaries and wages, fringe benefits, supplies, contractual services, travel and communication, equipment, and computer use.

DOD - The United States Department of Defense (includes Air Force, Army, ARPA, and Navy)

DOE - The United States Department of Energy

DOT - The United States Department of Transportation

E

Effective Date - the date specified in the Notice of Award on or after which expenditures may be charged to the award.

Equipment - An article of tangible nonexpendable property that has a useful life of more than 1 year and an acquisition cost per unit that equals or exceeds \$5,000 or the capitalization threshold established by the organization, whichever is less.

Encumbrance - Funds that have been set aside or "claimed" for projected expenses pending actual expenditure of the funds.

Endowment - A fund usually in the form of an income-generating investment, established to provide long-term support for faculty/research positions, e.g. endowed chair.

EPA - Environmental Protection Agency

Expiration Date - The date that signifies the end of the performance period, as indicated on the Notice of Grant Award. Expenditures may not be charged against the award except to satisfy obligations to pay allowable project costs committed to on or before that date.

Extension - An additional period of time given by the sponsor to an organization for the completion of work on an approved award. An extension allows previously allocated funds to be spent after the original expiration date.

F

Facilities and Administrative (F&A) Costs - Costs that are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. Synonymous with Indirect Costs.

FAR - Federal Acquisition Regulations

FDA - Food and Drug Administration

FedBiz Opps (Formerly known as the Commerce Business Daily (CBD)) - FedBiz Opps is a daily list of US Government procurement invitations, contract awards, subcontracting leads, sales of surplus property and foreign business opportunities.

Final Report - The final technical or financial report required by the sponsor to complete a project.

Fiscal Year (FY) - Any twelve-month period for which annual accounts are kept (at UT System, September 1 through August 31).

Fringe Benefits - Employee's benefits paid by the employer, e.g., FICA, Worker's Compensation, Withholding Tax, Insurance, etc.

G

Gift - Awards given with few or no conditions specified. Gifts may be provided to establish an endowment or to provide direct support for existing programs. Frequently, gifts are used to support developing programs for which other funding is not available. The unique flexibility, or lack of restrictions, makes gifts attractive sources of support.

Grant - A financial assistance awarded to an organization for the conduct of a project/program as specified in an approved proposal. A grant is initiated by the principal investigator where the sponsor has no substantial programmatic involvement during the performance of the activities. It is given to an institution for either restricted or unrestricted use without the expectation of delivery of a specified service or end product.

Grantee - the organization or other entity that receives a grant and assumes legal and financial responsibility and accountability both for the awarded funds and for the performance of the grant-supported activity.

H

I

In-Kind - Contributions or assistance in a form other than money such as equipment, materials, or services of recognized value that are offered in lieu of cash.

Indirect Costs - See F&A Costs.

Indirect Cost Rate - The rate, expressed as a percentage of a base amount (MTDC), established by negotiation with the cognizant federal agency on the basis of the institution's projected costs for the year and distributed as prescribed in OMB Circular A-21. The indirect cost rate is charged on a set of direct costs known as an indirect cost base. Synonymous with Facilities and Administrative (F&A) Cost Rate.

Institutional Representative - The individual who is authorized to act for the organization and to assume the obligations imposed by Federal, State and local laws, regulations, requirements, conditions as well as organization policies that apply to the proposal and award. In signing a proposal application and in accepting a corresponding award, this individual certifies that the applicant organization will comply with all applicable assurances and certifications referenced in the application. This individual's signature on the proposal application further certifies that the applicant organization will be accountable both for appropriate use of funds awarded and for the performance of the sponsored project activities resulting from the application.

Institutional Review Board (IRB) – An IRB is an appropriately constituted group that has been formally designated to review and monitor research involving human subjects. In accordance with FDA regulations, an IRB has the authority to approve, require modifications in (to secure approval), or disapprove research. This group review serves an important role in the protection of the rights and welfare of human research subjects.

J

K

Key Personnel - The personnel considered to be of primary importance to the successful conduct of a project.

L

M

Matching Grant - A grant that requires a specified portion of the cost of a supported item of equipment or project be obtained from other sources. The required match may be more or less than the amount of the grant. Some matching grants require that the additional funds be obtained from sources outside the recipient organization. Matching grants are very common in the sciences, especially for equipment.

Memorandum of Understanding (MOU) - An agreement between interested parties establishing their respective rights and responsibilities regarding a project and serving as a basis for a formal contract.

Modification - An award document that modifies any aspect of an existing award.

Modified Total Direct Costs (MTDC) – Modified Total Direct Costs is the base to which F&A (indirect cost) rates are applied. Modified Total Direct Costs consist of salaries and wages, fringe benefits, materials and supplies, service, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total costs shall exclude equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subaward in excess of \$25,000.

N

NACUBO - National Association of College and University Business Officers

NAS - National Academy of Sciences

NASA - National Aeronautics and Space Administration

NCURA - National Council of University Research Administrators

NIH - National Institutes of Health

No-Cost Extension - An extension of the period of performance beyond the expiration date to allow the principal investigator to finish a project. No additional funds are provided by the sponsor.

Notice of Grant Award (NOGA) - The legally binding document that serves as a notification to the recipient and others that a grant or cooperative agreement has been made. It contains or references all terms of the award and documents the obligation of funds.

NSF - National Science Foundation

O

OMB - Office of Management and Budget

OMB Circulars - Regulatory circulars issued by the Office of Management & Budget (OMB).

ONR - Office of Naval Research

P

Pass-Through - An entity that provides an award to a sub-recipient to carry out a federal/state program.

Peer Review - A system using reviewers who are the professional equals of the principal investigator or program director who is to be responsible for directing or conducting the proposed project. It is a form of objective review. Peer review is legislatively mandated in some programs and in other programs is administratively required.

Performance Period - The complete length of time the recipient is proposed to be funded to complete approved activities. A performance period may contain one or more budget periods.

Post-Award Activity - Any activity associated with an award that has already been funded. These activities include the tracking of expenditures, reporting, and close out.

Pre-Award Activity - Any activity in the proposal development process that takes place before the proposal is submitted and any funds are awarded.

Principal Investigator (PI) - An individual designated by the grantee who will be responsible for the conduct and direction or other activity of the project described in a proposal for an award.

Prior Approval - The requirement for written documentation of permission to use project funds for purposes not in the approved budget, or to change aspects of the program from those originally planned and approved. Prior approval must be obtained before the performance of the act that requires such approval under the terms of the agreement.

Progress Report - Reports required by the sponsor summarizing progress of the project to date.

Project Period (PP) - The total time for which support of a project has been programmatically approved. A project period may consist of one or more budget periods. Synonymous with Performance Period.

Proposal - An application for funding that contains all information necessary to describe project plans, staff capabilities, and funds requested. Formal proposals are officially approved and submitted by an organization in the name of a principal investigator.

Q

R

RFP - Request for Proposal

Recipient - An entity that expends awards received directly from an awarding agency to carry out a project/program.

Regulations - The contractual rules and procedures governing sponsored projects.

Renewal - A competitively reviewed proposal requesting additional funds extending the scope of work beyond the current project period.

Request for Applications (RFA) - Announcements that indicate the availability of funds for a topic of specific interest to a sponsor. Specific grant announcements may be published in the Federal Register and/or specific sponsor publications.

Request for Proposal (RFP) - Announcements that specify a topic of a project or activity methods to be used, product to be delivered, and appropriate applicants sought.

Revision - A modified and resubmitted request for funding for a project that was previously not funded either because it was denied by the sponsor or withdrawn by the principal investigator.

S

Salaries and Wages (S&W) - Payments made to employees of the institution for work performed.

SBA - Small Business Administration

SBIR - Small Business Innovative Research

Scope of Work - The description of the work to be performed and completed on a project.

Senior Personnel - Professional personnel who are responsible for the scientific or technical direction of a project.

Small Business Innovative Research (SBIR) - Agency administered programs supported by ear-marked federal funds, making grants to small business entities.

Small Business Technology Transfer (STTR) - Grant applications and/or programs to fund small business "teamed" with research institutions.

Sponsor - The organization that funds a project.

Stipend - Amount paid to participants of a program, workshop, or approved grant activity.

Subcontract, Subgrant, or Subagreement - A document written under the authority of, and consistent with the terms and conditions of an award (a grant, contract or cooperative agreement), that transfers a portion of the award effort to another institution or organization.

Subrecipient - An entity that expends awards received from a pass-through program.

A subrecipient may also be a recipient of other awards directly from an awarding agency.

T

Terms of Award - All legal requirements imposed on an agreement by the sponsor, whether by statute, regulation(s), or terms in the award document.

Total Direct Costs (TDC) - The total of all direct costs of a project.

Total Project Costs - The total allowable direct and indirect costs incurred by the institution to carry out an approved project or activity.

U

Unrestricted Funds - Monies with no requirements or restrictions as to use or disposition. Grants, contracts, and cooperative agreements are considered to be restricted funds, while gifts are usually considered unrestricted funds.

Unsolicited Proposal - Proposal submitted to a sponsor that is not in response to an RFP, RFA, or program announcement.

V

W

X

Y

Z