

Definitions
For
Research Administration

Definitions

Accrued expenditures means the charges incurred by the recipient during a given period requiring the provision of funds for: (1) goods and other tangible property received; (2) services performed by employees, contractors, subrecipients, and other payees; and, (3) other amounts becoming owed under programs for which no current services or performance is required.

Source: Office of Management and Budget Circular A-110

Accrued income means the sum of: (1) earnings during a given period from (i) services performed by the recipient, and (ii) goods and other tangible property delivered to purchasers, and (2) amounts becoming owed to the recipient for which no current services or performance is required by the recipient.

Source: Office of Management and Budget Circular A-110

Acquisition cost of equipment means the net invoice price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the recipient's regular accounting practices.

Source: Office of Management and Budget Circular A-110

Advance means a payment made by Treasury check or other appropriate payment mechanism to a recipient upon its request either before outlays are made by the recipient or through the use of predetermined payment schedules.

Source: Office of Management and Budget Circular A-110

Allocation means the process of assigning a cost, or a group of costs, to one or more cost objective, in reasonable and realistic proportion to the benefit provided or other equitable relationship.

Source: Office of Management and Budget Circular A-21

Animal means any live, vertebrate animal used or intended for use in research, research training, experimentation, or biological testing or for related purposes.

Source: Public Health Service on Humane Care and Use of Laboratory Animals [Public Law 99-158]

Animal Facility means, any and all buildings, rooms, areas, enclosures, or vehicles, including satellite facilities, used for animal confinement, transport, maintenance, breeding, or experiments inclusive of surgical manipulation. A satellite facility is any containment outside of a core facility or centrally designated or managed area in which animals are housed for more than 24 hours.

Source: Public Health Service on Humane Care and Use of Laboratory Animals [Public Law 99-158]

Award means financial assistance that provides support or stimulation to accomplish a public purpose. Awards include grants and other agreements in the form of money or property in lieu of money, by the Federal Government to an eligible recipient. The term does not include: technical assistance, which provides services instead of money; other assistance in the form of loans, loan guarantees, interest subsidies, or insurance; direct payments of any kind to individuals; and, contracts which are required to be entered into and administered under procurement laws and regulations.

Source: Office of Management and Budget Circular A-110

Budget Period means the intervals of time (usually 12 months each) into which a project period is divided for budgetary and funding purposes.

Source: NIH Grants Policy Statement 2001

Cash contributions means the recipient's cash outlay, including the outlay of money contributed to the recipient by third parties.

Source: Office of Management and Budget Circular A-110

Closeout means the process by which a Federal awarding agency determines that all applicable administrative actions and all required work of the award have been completed by the recipient and Federal awarding agency.

Source: Office of Management and Budget Circular A-110

Consortium Agreement means a collaborative arrangement in support of a research project in which some portion of the programmatic activity is carried out through a formalized agreement between the grantee and one or more other organizations that are separate legal entities administratively independent of the grantee.

Source: NIH Grants Policy Statement 2001

Co-Investigator: An individual involved with the principal investigator in the scientific development or execution of a project. The co-investigator may be employed by, or be affiliated with, the applicant/grantee organization or another organization participating in the project under a consortium agreement. A co-investigator typically devotes a specified percentage of time to the project and is considered "key personnel." The designation of a co-investigator, if applicable, does not affect the principal investigator's roles and responsibilities as specified in this policy statement.

Source: NIH Grants Policy Statement 2001

Contract means a procurement contract under an award or subaward, and a procurement subcontract under a recipient's or subrecipient's contract.

Source: Office of Management and Budget Circular A-110

Cooperative Agreement means a financial assistance mechanism used when substantial Federal programmatic involvement with the recipient during performance is anticipated by the NIH Institute or Center.

Source: NIH Grants Policy Statement 2001

Cost Reimbursable Contract Type: - Contracts that provide for payment of allowable incurred costs to the extent prescribed in the contract. There is an estimate of the total costs for the purpose of obligating funds and a ceiling that the vendor may not exceed (except at its own risk) without approval of the contracting officer.

Source: NIH – NITAAC Glossary

Cost sharing or matching means that portion of project or program costs not borne by the Federal Government.

Source: Office of Management and Budget Circular A-110

Date of completion means the date on which all work under an award is completed or the date on the award document, or any supplement or amendment thereto, on which Federal sponsorship ends.

Source: Office of Management and Budget Circular A-110

Direct costs are those costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

Source: Office of Management and Budget Circular A-21

Disallowed costs means those charges to an award that the Federal awarding agency determines to be unallowable, in accordance with the applicable Federal cost principles or other terms and conditions contained in the award.

Source: Office of Management and Budget Circular A-110

Equipment means tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5000 or more per unit. However, consistent with recipient policy, lower limits may be established.

Source: Office of Management and Budget Circular A-110

Excess property means property under the control of any Federal awarding agency that, as determined by the head thereof, is no longer required for its needs or the discharge of its responsibilities.

Source: Office of Management and Budget Circular A-110

Exempt property means tangible personal property acquired in whole or in part with Federal funds, where the Federal awarding agency has statutory authority to vest title in the recipient without further obligation to the Federal Government. An example of exempt property authority is contained in the Federal Grant and Cooperative Agreement Act (31 U.S.C. 6306), for property acquired under an award to conduct basic or applied research by a non-profit institution of higher education or non-profit organization whose principal purpose is conducting scientific research.

Source: Office of Management and Budget Circular A-110

Expanded Authorities means the operating authorities provided to grantees under certain research grant mechanisms that waive the requirement for NIH prior approval for specified actions.

Source: NIH Grants Policy Statement 2001

Expiration Date means the date signifying the end of the current budget period, after which the grantee is not authorized to obligate grant funds regardless of the ending date of the project period or "completion date."

Source: NIH Grants Policy Statement 2001

Facilities and administrative (F&A) costs, ...means 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.

Source: Office of Management and Budget Circular A-21

Federal awarding agency means the Federal agency that provides an award to the recipient.

Source: Office of Management and Budget Circular A-110

Federal funds authorized means the total amount of Federal funds obligated by the Federal Government for use by the recipient. This amount may include any authorized carryover of unobligated funds from prior funding periods when permitted by agency regulations or agency implementing instructions.

Source: Office of Management and Budget Circular A-110

Federal share of real property, equipment, or supplies means that percentage of the property's acquisition costs and any improvement expenditures paid with Federal funds.

Source: Office of Management and Budget Circular A-110

Firm Fixed Price Contract Type (FFP) means a firm fixed price contract provides for a firm price that is not subject to any adjustment on the basis of the prime contractor's cost experience in performing the contract. This contract type places maximum risk on the vendor. It also provides maximum incentive for the vendor to control costs and perform effectively.

Source: NIH – NITAAC Glossary

Fellowship is generally an amount paid for the benefit of an individual to aid in the pursuit of study or research.

Source: Internal Revenue Service Publication 520

Funding period means the period of time when Federal funding is available for obligation by the recipient.

Source: Office of Management and Budget Circular A-110

Grant means a financial assistance mechanism providing money, property, or both to an eligible entity to carry out an approved project or activity. A grant is used whenever the NIH Institute or Center anticipates no substantial programmatic involvement with the recipient during performance of the financially assisted activities.

Source: NIH Grants Policy Statement 2001

Human subject means, a living individual about whom an investigator (whether professional or student) conducting research obtains (1) data through intervention or interaction with the individual, or (2) identifiable private information.

Source: Title 45 Code of Federal Regulations Part 46 Protection of Human Subjects

In kind means, 1. With produce or commodities rather than with money: *pay in kind*. 2. In the same manner or with an equivalent: returned the slight in kind.

Source: The American Heritage® Dictionary of the English Language, Fourth Edition

Indirect Cost, see facilities and administrative costs

Institutional Base Salary: The annual compensation paid by an applicant/grantee organization for an employee's appointment, whether that individual's time is spent on research, teaching, patient care, or other activities. The base salary excludes any income that an individual is permitted to earn outside of duties for the applicant/grantee organization. Base salary may not be increased as a result of replacing organizational salary funds with NIH grant funds.

Source: NIH Grants Policy Statement 2001

Intangible property and debt instruments means, but is not limited to, trademarks, copyrights, patents and patent applications and such property as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership, whether considered tangible or intangible.

Source: Office of Management and Budget Circular A-110

Intellectual property means a product of the intellect that has commercial value, including copyrighted property such as literary or artistic works, and ideational property, such as patents, appellations of origin, business methods, and industrial processes.

Source: The American Heritage® Dictionary of the English Language, Fourth Edition

Key Personnel: Individuals who contribute in a substantive way to the scientific development or execution of a project, whether or not they receive compensation from the grant supporting that project. The principal investigator and collaborators are included in this category.
Source: NIH Grants Policy Statement 2001

Modular Application: A type of grant application in which support is requested in specified increments without the need for detailed supporting information related to separate budget categories. When modular procedures apply, they affect not only application preparation but also review, award, and administration of the application/award.
Source: NIH Grants Policy Statement 2001

Nonresident Alien, is an alien (not a U.S. citizen) who does not meet one of the two tests described in IRS publication 519 under Resident Alien, i.e. the Green Card test or the Substantial Presence Test.

Notice of Grant Award: The legally binding document that notifies the grantee and others that an award has been made, contains or references all terms and conditions of the award, and documents the obligation of Federal funds. The award notice may be in letter format and may be issued electronically.
Source: NIH Grants Policy Statement 2001

Obligations means the amounts of orders placed, contracts and grants awarded, services received and similar transactions during a given period that require payment by the recipient during the same or a future period.
Source: Office of Management and Budget Circular A-110

Outlays or expenditures means charges made to the project or program. They may be reported on a cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense charged, the value of third party in-kind contributions applied and the amount of cash advances and payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients and other payees and other amounts becoming owed under programs for which no current services or performance are required.
Source: Office of Management and Budget Circular A-110

Personal property means property of any kind except real property. It may be tangible, having physical existence, or intangible, having no physical existence, such as copyrights, patents, or securities.
Source: Office of Management and Budget Circular A-110

Principal Investigator/Program Director/Project Director: An individual designated by the grantee to direct the project or activity being supported by the grant. He or she is responsible and accountable to the grantee for the proper conduct of the project or activity.
Source: NIH Grants Policy Statement 2001

Prior approval means written approval by an authorized official evidencing prior consent.
Source: Office of Management and Budget Circular A-110

Program income means gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award (see exclusions in paragraphs ____24 (e) and (h)). Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under federally-funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal awarding agency regulations or the terms and conditions of the award, program income does not include the receipt of principal on loans, rebates, credits, discounts, etc., or interest earned on any of them.

Source: Office of Management and Budget Circular A-110

Project costs means all allowable costs, as set forth in the applicable Federal cost principles, incurred by a recipient and the value of the contributions made by third parties in accomplishing the objectives of the award during the project period.

Source: Office of Management and Budget Circular A-110

Project period means the period established in the award document during which Federal sponsorship begins and ends.

Source: Office of Management and Budget Circular A-110

Property means, unless otherwise stated, real property, equipment, intangible property and debt instruments.

Source: Office of Management and Budget Circular A-110

Real property means land, including land improvements, structures and appurtenances thereto, but excludes movable machinery and equipment.

Source: Office of Management and Budget Circular A-110

Recipient means an organization receiving financial assistance directly from Federal awarding agencies to carry out a project or program. The term includes public and private institutions of higher education, public and private hospitals, and other quasi-public and private non-profit organizations such as, but not limited to, community action agencies, research institutes, educational associations, and health centers. The term may include commercial organizations, foreign or international organizations (such as agencies of the United Nations) which are recipients, subrecipients, or contractors or subcontractors of recipients or subrecipients at the discretion of the Federal awarding agency. The term does not include government-owned contractor-operated facilities or research centers providing continued support for mission-oriented, large-scale programs that are government-owned or controlled, or are designated as federally-funded research and development centers.

Source: Office of Management and Budget Circular A-110

Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.

Source: Title 45 Code of Federal Regulations Part 46 Protection of Human Subjects

Research and development means all research activities, both basic and applied, and all development activities that are supported at universities, colleges, and other non-profit institutions. "Research" is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. "Development" is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. The term research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.

Research Misconduct means fabrication, falsification, or plagiarism in proposing, performing, or reporting research, or in reporting research results. Fabrication is making up data or results and recording or reporting them. Falsification is manipulating research materials, equipment, or processes, or changing or omitting data or results such that research is not accurately represented in the research record. Plagiarism is the appropriation of another person's ideas, processes, results, or words without giving appropriate credit. The term does not include honest error or honest differences of opinion.

Source: NIH Grants Policy Statement 2001

Scholarship is generally an amount paid for the benefit of a student at an educational institution to aid in the pursuit of studies. The student may be either an undergraduate or graduate.

Source: Internal Revenue Service Publication 520

Small awards means a grant or cooperative agreement not exceeding the small purchase threshold fixed at 41 U.S.C. 403(11) (currently \$25,000).

Source: Office of Management and Budget Circular A-110

Stipend means a fixed and regular payment, such as a salary for services rendered or an allowance.

Source: The American Heritage® Dictionary of the English Language, Fourth Edition

Note: some agencies have specific definitions applicable to their own regulations; e.g.,

Stipend: A payment made to an individual under a fellowship or training grant in accordance with pre-established levels to provide for the individual's living expenses during the period of training. A stipend is not considered compensation for the services expected of an employee.

Source: NIH Grants Policy Statement 2001

Subaward means an award of financial assistance in the form of money, or property in lieu of money, made under an award by a recipient to an eligible subrecipient or by a subrecipient to a lower tier subrecipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include procurement of goods and services nor does it include any form of assistance which is excluded from the definition of "award" in paragraph (e).

Source: Office of Management and Budget Circular A-110

Subrecipient means the legal entity to which a subaward is made and which is accountable to the recipient for the use of the funds provided. The term may include foreign or international organizations (such as agencies of the United Nations) at the discretion of the Federal awarding agency.

Source: Office of Management and Budget Circular A-110

Supplies means all personal property excluding equipment, intangible property, and debt instruments as defined in this section, and inventions of a contractor conceived or first actually reduced to practice in the performance of work under a funding agreement ("subject inventions"), as defined in 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts, and Cooperative Agreements."

Source: Office of Management and Budget Circular A-110

Suspension means an action by a Federal awarding agency that temporarily withdraws Federal sponsorship under an award, pending corrective action by the recipient or pending a decision to terminate the award by the Federal awarding agency. Suspension of an award is a separate action from suspension under Federal agency regulations implementing E.O.s 12549 and 12689, "Debarment and Suspension."

Source: Office of Management and Budget Circular A-110

Termination means the cancellation of Federal sponsorship, in whole or in part, under an agreement at any time prior to the date of completion.

Source: Office of Management and Budget Circular A-110

Third party in-kind contributions mean the value of non-cash contributions provided by non-Federal third parties. Third party in-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.

Source: Office of Management and Budget Circular A-110

Unliquidated obligations, for financial reports prepared on a cash basis, means the amount of obligations incurred by the recipient that have not been paid. For reports prepared on an accrued expenditure basis, they represent the amount of obligations incurred by the recipient for which an outlay has not been recorded.

Source: Office of Management and Budget Circular A-110

Unobligated balance means the portion of the funds authorized by the Federal awarding agency that has not been obligated by the recipient and is determined by deducting the cumulative obligations from the cumulative funds authorized.

Source: Office of Management and Budget Circular A-110

Unrecovered indirect cost means the difference between the amount awarded and the amount which could have been awarded under the recipient's approved negotiated indirect cost rate.

Source: Office of Management and Budget Circular A-110

Unrelated business income is the income from a trade or business that is regularly carried on by an exempt organization and that is not substantially related to the performance by the organization of its exempt purpose or function, except that the organization uses the profits derived from this activity.

Source: Internal Revenue Service Publication 598

Voluntary Uncommitted Cost Sharing is defined, for the purpose of Circular OMB A-21, as university faculty (including senior researchers) effort that is over and above that which is committed and budgeted for in a sponsored agreement.

Source: Office of Management and Budget Memorandum M-01-06

Working capital advance means a procedure where by funds are advanced to the recipient to cover its estimated disbursement needs for a given initial period.

Source: Office of Management and Budget Circular A-110

Vendor/Subrecipient Distinction

Subrecipients may have some or all of the following characteristics:

- Their performance is measured against meeting the objectives of the program.
- They have authority for administrative and programmatic decisions.
- They provide on-going service for the life of the program.
- They carry out a program of the subrecipient as compared to providing services for a program of the prime recipient.
- They are responsible for applicable program compliance requirements.

Subrecipients should be budgeted as a subcontract in the sponsor proposal. This is then recognized as a budgeted item and approved by the sponsor in the terms and conditions of the subsequent award.

On a federally funded sponsored project, subrecipient funds are passed through from the recipient by a subcontract agreement. This agreement will flow down the various federal regulatory and compliance requirements. Standard subrecipient subcontract terms and conditions which incorporate the regulatory and compliance requirements of OMB Circular A-110 are then used to prepare a subrecipient subcontract.

Vendors have the following characteristics:

- They provide the service as part of their normal business operations.
- They provide a similar service to many different purchasers.
- They operate in a competitive environment (compete with others who can provide a similar service).
- Their program compliance requirements do not pertain to the service provided.

A vendor is responsible for providing ancillary services in support of the award for the recipient or subrecipient's use. If the service to be provided can be described and billed according to established rates on a requisition for purchased services, then a subcontract is not necessary. However, if the service is complex, requiring a scope of work and budget, deliverables schedule, or billing requirements, a subcontract should be used.

A vendor is only required to meet the terms of the procurement contract (such as the Office of Sponsored Program's commercial purchase order terms) and the OMB Circular A-110 requirements specified in the vendor subcontract. Compliance requirements should not pass through to vendors. On the other hand, a subrecipient *is* required to meet various federal regulatory and compliance regulations in accordance with OMB Circular A-133. The recipient is required to monitor compliance.

In summary:

A **subrecipient** serves as a co-investigator, is responsible for the end results of the research effort equally with the principal investigator where federal funds are being passed through to another entity. By definition, a subrecipient relationship can only be established where federal funds are involved.

A **vendor** provides ancillary goods or services that the principal investigator needs to conduct the research effort. A vendor is not responsible for the research results.

SOURCE: <http://osp.osu.edu/administration/vendorsubrecip.cfm>