



Policy Chapter: Chapter 13 Research and Innovation

Policy Number and Title: 13.009 Negotiation and Acceptance of Sponsored Project Awards

I. Policy Statement

In accepting a sponsored project award, UNT is legally committing itself to fulfill the purposes and requirements of the sponsored project through use of University personnel, resources, and facilities. This policy sets out requirements for the negotiation and acceptance of grants, cooperative agreements, and contracts related to sponsored project awards.

II. Application of Policy

Faculty and staff engaged in sponsored project activities

III. Policy Definitions

A. Award

“Award,” in this policy, means a grant, contract, subcontract, sub-grant, or cooperative agreement that provides funding from an external sponsor of a sponsored project and is entered into between the sponsor and UNT.

B. Contract

“Contract,” in this policy, means any written agreement or other document that creates a legally binding obligation, financial or otherwise, for UNT. Contracts related to sponsored project activity can include, but are not limited to, documents with the title of contract, agreement, memoranda of understanding, affiliation agreement, cooperative agreement, interagency contract, professional services agreement, letter agreement, letter of intent, nondisclosure agreement, material transfer agreement, or a purchase order.

Unlike grants and cooperative agreements, which are assistance mechanisms, a federal contract is a procurement mechanism. This means that the principal purpose of a federal contract is to purchase property or services for the direct benefit or use of a federal agency.

Federal contracts are governed by a strict set of terms and conditions, including clauses from the [Federal Acquisition Regulation \(FAR\)](#). They usually require frequent reporting and a high level of responsibility to the federal agency. A failure to perform a project in strict compliance with the federal contract and provide the required deliverables on time and on budget could result in criminal and/or civil penalties, as well as potential financial consequences.

C. Cooperative Agreement

“Cooperative Agreement,” in this policy, is a legal instrument of financial assistance. It is distinguished from a grant in that it provides for substantial involvement between the Sponsor and UNT during the performance period in fulfillment of project activities. Federal Cooperative Agreements can be awarded directly by federal agency or as a pass-through from a prime awardee.

D. Federal Acquisition Regulation (FAR)

“Federal Acquisition Regulation” and “FAR,” in this policy, mean the primary regulation for use by all federal agencies in their acquisition of supplies and services with appropriated funds. The FAR also contains standard solicitation provisions and contract clauses and the various agency FAR supplements. For more information, visit the [Federal Acquisition Regulation web site](#).

E. Funding

“Funding,” in this policy, means financial support for a sponsored project, including money, property, services, or anything of value in lieu of money.

F. Gift

“Gift,” in this policy, means a voluntary, philanthropic transfer of assets received from an individual, a corporation, a foundation, or other organization. A gift may be made through a number of vehicles, including but not limited to cash, stock, estates, trusts, in-kind, and real estate. Outside parties often use the terms gift and grant synonymously. UNT shall interpret the use of these terms by outside parties in a manner that will accomplish the intent or purpose for which funds are given (e.g., funds designated as a grant by a donor shall be treated as gift funds if they meet the definition of a gift).

G. Grant

“Grant,” in this policy, means an award of financial or other type of funding assistance to accomplish a public purpose. In the context of sponsored projects, the funding provided by a grant is designated by the external sponsor to be used for a specific sponsored project activity, thus serving a specific interest or objective of the sponsor. In federal grants, the federal agency or prime awardee provides oversight and monitoring, but is not directly involved in fulfillment of UNT’s project activities.

H. Instruction Project

“Instruction project,” in this policy, means any project involving teaching or training activities funded by an externally sponsored grant, cooperative agreement or contract, excluding research training activities, which are considered “Research” projects.

I. Principal Investigator (PI)

“Principal Investigator” and “PI,” in this policy, mean a single individual who, in the event of an award from an external funding agency, shall have the full and final responsibility for the conduct of the sponsored project as proposed and as set forth in the award.

J. Public Service Project

“Public Service Project,” in this policy, means any project involving activities other than instruction or research such as public health and community service projects.

K. Research Project

“Research Project,” in this policy, means a systematic study directed toward a fuller scientific knowledge or understanding of the subject studied. It also involves the training of individuals in research techniques where such activities utilize the same facilities as other research activities.

L. Sponsor

“Sponsor,” in this policy, means any external entity that provides funding to UNT for sponsored projects. Sponsors may be (i) governmental agencies (e.g., federal, state, or local governments or their administrative organizations); (ii) nonprofit organizations (e.g., universities, nonprofit corporations, foundations, or associations); (iii) for profit organizations (e.g., corporations, partnerships, sole proprietorships, and other business entities); or (iv) individuals. Governmental, nonprofit, and for-profit sponsors are sometimes referred to by themselves and others as “agencies.”

M. Sponsored Project

“Sponsored Project,” in this policy, means a project, in the form of a grant, cooperative agreement, or contract, funded by an external sponsor through an award with UNT, where one or more of the following obligations apply (examples of sponsored projects include but are not limited to instruction projects, public service projects, or research projects).

1. Financial Obligation – UNT is required to comply with conditions imposed when a sponsor awards funding for the performance of services or delivery of products described in a statement of work.
2. Regulatory Obligation – UNT is required to comply with sponsor regulations, which may include federal or state regulations.
3. Reporting Obligation – UNT is required to provide to the sponsor technical performance reports or regulatory or administrative reports that require information beyond stewardship reporting.
4. Performance Obligation – UNT is required to perform within a certain period and may be required to meet other specified requirements related to performance.
5. Accounting Obligation – UNT is required to establish a separate accounting record of project accountability, to provide financial reports to the sponsor, and to preserve appropriate records for audit purposes.

N. Uniform Guidance

“Uniform Guidance,” in this policy, means Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200, et al). OMB issued Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in the Federal Register. This regulation provides a

government-wide framework for grants management for the Federal Agencies who in turn implement these regulations at the agency level (as a part of their Agency Code of Federal Regulations (CFR)) for the grantees. The Uniform Guidance replaces the administrative, accounting, and audit rules and cost principles currently promulgated in the OMB Circulars, including A-21, A-110, and A-133. The Uniform Guidance took effect on December 26, 2014.

IV. Policy Responsibilities

A. Proposal Submission Process

Faculty and staff members interested in engaging in sponsored project activities must complete the proposal submission process set forth in UNT Policy 13.008, Sponsored Project Proposals, prior to the initiation of negotiation of a grant, cooperative agreement, or contract with an external sponsor. Only Grants and Contracts Administration (GCA), not faculty and staff, can make a formal submission.

B. Award Notifications

An external sponsor normally notifies GCA of a sponsored project award. If such notification is provided to faculty and staff members engaged in sponsored project activities, they must forward the award information to GCA. Faculty and staff members engaged in sponsored project activities must allow GCA to take the lead in review and negotiation of the grant, cooperative agreement, or contract for the sponsored project award.

C. Roles of Offices

GCA is the administrative office responsible for reviewing, negotiating, and submitting grants related to sponsored project awards for signature by external sponsors and the appropriate representative for UNT. GCA has, by delegation, the legal authority to accept sponsored projects on behalf of the University. Research Commercial Agreements is the administrative office responsible for reviewing, negotiating, and submitting contracts related to sponsored project awards for signature by external sponsors and the appropriate representative for UNT. In performing these responsibilities, both offices shall ensure compliance with federal and state laws, UNT System rules and regulations, and UNT institutional policies.

D. Adherence to Grants, Agreements & Contracts

In accepting and executing a grant, cooperative agreement, or contract related to a sponsored project award, UNT is obligated to fulfill the purposes and to meet the requirements of the grant, cooperative agreement, or contract. Grants and contracts related to sponsored projects shall be accepted and entered in accordance with the UNT System Regents Rule 03.900, Delegation of Authority for Contracts and Agreements. Sponsored project activity related to a grant, cooperative agreement, contract, subcontract, or sub-grant shall be conducted in accordance with the terms and conditions of the applicable grant, cooperative agreement, contract, subcontract, or sub-grant.

E. Terminology and Applicability

Terminology used in a document from an outside party may differ from definitions provided in UNT policies. In general, regardless of terminology that may be used in any funding document entered into between another party and UNT, a funding award shall be classified and treated as a grant, cooperative agreement, or contract coming under this policy when one or more of the following characteristics exist:

1. funding received is for an activity that meets the definition of a sponsored project as provided in this policy and in the Division of Research and Innovation guidelines;
2. funding includes federal, state, and private funding or pass-through funds from a federal, state, local, foundation, or corporate entity for sponsored project activity; and
3. the funding award refers to specific protocols or regulations that involve the use of human subjects, vertebrate animals, radioisotopes on humans, hazardous waste, recombinant DNA, human tissue or substances or etiologic agents or proprietary materials relative to sponsored project activity.

F. Uniform Guidance and OMB Circulars

Federally sponsored agreements issued prior to December 26, 2014 are subject to OMB Circulars A-21, A-110, and A-133. Federally sponsored agreements issued December 26, 2014 and later are subject to the Uniform Guidance. A federal sponsor may require adoption of the Uniform Guidance on awards made prior to December 26, 2014, in which case the Uniform Guidance shall apply.

G. Pre-Award Costs

Pre-award costs on grants are allowed by most federal agencies. If a PI determines that pre-award costs are necessary for the project, the PI will initiate the prior approval process for pre-award costs, in accordance with the PI Handbook. If costs incurred prior to the start date are disallowed by the granting agency or an auditing agency, the PI and Unit Administrator shall be responsible for finding an alternative source of funds to cover the costs incurred.

H. Compatibility of Sponsorship Terms with UNT Policy

Prior to the acceptance or execution of a grant, cooperative agreement, or contract related to a sponsored project, the PI, Department Head, Unit Administrator, Research Commercial Agreements, and GCA share responsibility for determining whether a sponsored project and restrictions imposed on the University by the award are consistent with the University's policies, its mission, its capabilities and capacity, and its commitment to free and open inquiry. In accordance with the PI Handbook, responsibility is also shared for reviewing the grant, cooperative agreement, or contract and related documents for accuracy, validity, and conformity with federal, state, system, institutional, and sponsor rules, regulations, policies, and guidelines with respect to the administrative, fiscal, and scientific information included in the grant, cooperative agreement, contract, subcontract or sub-grant and for determining

that UNT is able to comply with its obligations as set forth in the grant, cooperative agreement, or contract, sub contract or sub grant.

I. Conflicts of Interest

Possible conflicts of interest and conflicts of commitment related to the grant, cooperative agreement, or contract must be disclosed by the PI and other project personnel in accordance with applicable institutional policies (UNT Policy 13.005, Conflict of Interest for Sponsored Projects).

J. Execution of Grants, Agreements & Contracts

In accordance with UNT System Regents Rule 03.900, Delegation of Authority for Contracts and Agreements, GCA shall obtain authorized signatures on the final grant, cooperative agreement, or contract from the appropriate representative for UNT and the external sponsor. GCA or Research Commercial Agreements shall provide a copy of the fully executed grant, cooperative agreement, or contract to the PI.

K. Records Retention

GCA shall maintain files of each sponsored project award, which shall include the applicable grant, cooperative agreement, or contract, in accordance with the terms of the grant, cooperative agreement, or contract, UNT Policy 04.008 Records Management and Retention, and applicable federal and state regulations; and GCA shall continue to do so until conclusion of the sponsor audit or audit vulnerability period and the conclusion of the record retention period set out in UNT Policy 04.008. During this period, GCA shall maintain accounting records and documentation of expenditures for a grant, cooperative agreement, or contract related to a sponsored project award.

V. Resources/Forms/Tools

[Grants and Contracts Administration Website](#)

[Grants and Contracts Administration Forms](#)

[Principal Investigator \(PI\) Handbook](#)

VI. References and Cross-References

[2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)

Title 48 of the CFR – The Federal Acquisition Regulations System

[UNT System Regents Rule 03.900, Delegation of Authority for Contracts and Agreements](#)

[UNT Policy 04.008, Records Management and Retention](#)

[UNT Policy 13.005, Conflict of Interest for Sponsored Projects](#)

[UNT Policy 13.007, Sponsored Projects](#)

[UNT Policy 13.008, Sponsored Project Proposals](#)

VII. Revision History

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