

# Glossary of Terms

## A - B

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**APPLICATION** - A request for financial support of a project/ activity, submitted in accordance with funding sponsor's instructions. Types of applications include:

**Preapplication**-A summary statement of the intent of the applicant to request Federal funds. Used to determine the applicant's eligibility, determine how well the proposed project can compete with other similar applications, and eliminate any proposals that have little or no chance for Federal funding before applicants incur significant expenditures for preparing an application.

**New application**-A request for financial or direct assistance for a project or program not currently receiving financial assistance from sponsor.

**Noncompeting Continuation Application**-A request for financial or direct assistance for a second or subsequent budget period within a previously approved project period.

**Renewal/Competing Continuation Application**-a request for financial or direct assistance to extend, for one or more additional budget periods, a project period that would otherwise expire. Competing continuation applications compete with other competing continuation, competing supplemental, and new applications for funds.

**Supplemental Application**-A request for an increase in support during a current budget period for expansion of the project's scope or research protocol or to meet increased administrative costs unforeseen at the time of the new, noncompeting continuation, or competing continuation application.

**AWARD** - Assistance to accomplish a specific purpose.

**BUDGET** - Expenditures for a project or activity.

**BUDGET PERIOD** - The interval of time (usually 12 months) into which the project period is divided for budgetary and funding purposes.

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## C

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**CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) #** - Listing of all Federal assistance programs.

**CONFLICT OF INTEREST** - Disclosures of financial interests of faculty and family must be made by PIs and others having decision-making authority over conduct of work if required by agency.

**CONSULTANT** - A person, outside of the grantee organization, employed by the University for the purpose of obtaining professional or technical advice.

**CONSULTING AGREEMENT** - A form of subcontract issued for services too urgent, special, temporary or highly technical to be provided by existing University staff.

**CONTRACT** - The principal purpose is to acquire property or services for direct benefit or use of the federal government.

**COOPERATIVE AGREEMENT** - Funding agreement used when the principal purpose is to transfer something of value to recipient to accomplish a public purpose. Substantial involvement is anticipated between agency/sponsor and recipient during the performance of the activity.

**CO-PRINCIPAL INVESTIGATOR/CO-PROJECT DIRECTOR** - Assumes responsibility for a project should the principal investigator no longer be responsible.

**COST SHARING** - Cost sharing refers to NMIMT's participation in the expenditures of a sponsored program or project. Cost sharing can be mandatory if it is required by a sponsor as a condition of the award, or it can be voluntarily offered by NMIMT as an inducement for award consideration. Generally, cost sharing will not be permitted on agreements unless there is a measurable economic benefit to NMIMT and then only to the extent required by the prospective funding agency. Cost sharing to for-profit entities is prohibited by state law.

Cost sharing arrangements/requirements should be discussed and approved by either the President, Vice-President of Administration & Finance, Vice-President of Research & Economic Development, Vice- President of Academic Affairs or Associate Vice-President of Administration & Finance prior to preparing a proposal.

**CRADA** - Cooperative Research and Development Agreement (CRADA) an agreement between one or more federal laboratories and/or technical activities and one or more nonfederal parties. CRADAs are instruments that may be used in all aspects of a product and/or system life cycle where Research Development Test and Evaluation (RDT&E) activities occur. The nonfederal parties shall provide funds, personnel, services, facilities, equipment, or other resources toward the conduct of specified research and development efforts that are consistent with the missions of the laboratory and/or technical activity. The CRADA partners share in the intellectual property developed under the effort. This term does not include a procurement contract or cooperative agreement as used in 31 U.S.C. 6303, 6304, and 6305.

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## D

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**DATE OF COMPLETION** - Date agency sponsorship ends.

**DISALLOWED COSTS** - Expenses determined unallowable in accordance with cost principles or terms and conditions of award.

**DIRECT COSTS** - Costs which can be clearly identified and directly accounted for in a particular project or program.

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## E

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**EQUIPMENT** - NMIMT defines permanent equipment as tangible nonexpendable property that has an acquisition cost of \$1,000 or more and useful life of two or more years.

**EXPIRATION DATE** - The date signifying the end of the current budget period, after which the grantee does not have authority to obligate grant funds.

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## F

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**FEDERAL AWARDING AGENCY** - Agency providing award.

**FEDERAL FUNDS AUTHORIZED** - Total obligated by the Government.

**FEDERAL SHARE** - Costs paid by Government for salaries, travel, equipment, supplies, etc.

**FRINGE BENEFITS** - Benefits for NMIMT employees include FICA, participating insurance (medical, life, dental and accidental death), retirement benefits, unemployment compensation and workman's compensation. Main campus is currently on a cash basis for accounting for accrued leave such as annual leave, sick leave and holiday pay while EMRTC is on the accrual basis. This is reflected in the rate structure of each group. Refer to [fringe benefits](#) on Restricted Funds Department's website.

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## G

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**GIFT** - Unrestricted monies or property given to NMIMT with no expectations of something in return (deliverables)

**GRANT** - A legally binding agreement between an agency to award funds to support a proposed activity/project and the grantee institution to accept and use those funds for the activities proposed. A grant (as opposed to a cooperative agreement) is to be used when no substantial involvement is anticipated between government and recipient during performance of activity.

**GRANTEE** - The institution or individual to which a grant (or cooperative agreement) is awarded and which is responsible and accountable both for the use of the funds provided and for the performance of the grant-supported project or activities.

**GRANTS MANAGEMENT OFFICER (GMO)** - The agency official responsible for the business management aspects of the particular grant or cooperative agreement.

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## H - L

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**HONORARIUM** - Payment given to a professional person for services for which fees are not legally or traditionally required.

**INDIRECT COSTS (IDC)** - Costs associated with conduct of sponsored projects that cannot be clearly identified and cannot be clearly accounted for on an individual project basis. NMIMT has a fixed rate with carry forward provision. The proposal and study are audited on an annual basis by DCAA and negotiated with Office of Naval Research.

**INTANGIBLE PROPERTY** - Trademarks, copyrights, patents, loan notes & lease agreements.

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## M

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**MATCHING** - Cost of projects not paid by agency.

**MISCONDUCT IN SCIENCE DEFINITIONS** - Falsification, fabrication, plagiarism, or other practices that seriously deviate from those that are commonly accepted within the scientific community for proposing, conducting or reporting research. It does not include honest error or honest differences in interpretations or judgments of data.

**MODIFIED TOTAL DIRECT COSTS (MTDC)** – This is the base accepted by the federal audit agency (DCAA) from which to compute NMIMT’s indirect cost rate. It consists of all direct costs of research less equipment, capital expenditures, scholarships and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

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## N

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**NO-COST EXTENSION** - Request to extend the final budget period of a project period, or any other budget period where justified, for usually up to 12 months (period of time may vary with agency) beyond the ending date of the budget period as shown on the award. Request for a no-cost extension must be in writing, stating the reason for the extension, and the additional time and funds, if any, being requested, and must be made before the expiration of the currently active budget period.

**NOTICE OF GRANT AWARD** - The legally binding document that notifies the recipient and others that a grant or cooperative agreement has been made, contains or references all terms of the award, and documents the obligation of Federal funds.

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## O

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**OBLIGATIONS** - Orders placed, services received that require payments.

**OTHER SPONSORED ACTIVITIES** - Programs and projects financed by Federal and non-Federal agencies and organizations which involve the performance of work other than instructional and organized research.

**OUTLAYS OR EXPENDITURES** - Charges made either on a cost or accrual basis.

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# P

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**PRE-AWARD AUDITS** - Basis for determining cost of final award. Required for contracts over \$100,000. Audits may be desk or on-site. Involves proposal preparation staff, and/or investigators. May also involve human resources, purchasing, and fiscal personnel. Preparation normally entails accumulating cost documentation for all proposed direct costs.

**PRE-AWARD COSTS** - Costs incurred prior to the effective date or beginning budget period for a grant. **Pre-award costs are unallowable as direct costs without prior approval from the agency.**

**PREPROPOSAL** - An informal, preliminary document that describes and gives the rationale for a project. Submitted to a funding agency/foundation before submission of the formal proposal. Check agency guidelines for requirements.

**PRINCIPAL INVESTIGATOR/PROJECT DIRECTOR** - An individual who will direct the project or program being supported by the grant, contract, or cooperative agreement. He or she is responsible and accountable to NMIMT for the proper conduct of the project or program. NMIMT is in turn, legally responsible and accountable to the agency for the performance and financial aspects of the award-supported activity.

**PRIOR APPROVAL** - In a number of policy areas, written prior approval from the awarding office is required before certain activities may be undertaken, funds expended, or the cost of actions may exceed a certain dollar level. These requirements are specified in the agency policy statement or appear in documents included or referenced.

**PROCUREMENT INTEGRITY** - Applies to all federal contracts. Certification required when contract exceeds \$100,000/year. Requires that no competing contractor or any officer, employee or consultant of such contractor shall make any offer or promise of future employment, offer any money, gratuity, or other thing of value to any procurement officer of such agency, or solicit any proprietary data or source selection information concerning such procurement.

**PROGRAM INCOME** - Income generated or earned as a result of the award.

**PROJECT PERIOD** - The total time for which support of a project has been programmatically approved. A project period may consist of one or more budget periods. The total project period comprises the original project period and any extensions.

**PROPOSAL** - Formal document to an agency which describes the proposed project and requests support.

**PROPRIETARY INFORMATION** - Should the PI /NMIMT wish to keep information confidential, a statement is needed indicating proprietary information in the proposal:

**ON COVER PAGE:** (suggested statement)

"A portion of the material contained in this proposal is considered proprietary and should not be released other than to those involved in evaluation of the proposal without the consent from the offeror. The materials subject to this restriction is contained on pages ."

**ON EACH RESTRICTED PAGE:** (suggested statement)

"Use or disclosure of proposal data is subject to the restriction on the title page of this proposal."

**PURCHASE ORDER** - A particular kind of agreement issued to enter into a legally-binding commitment with an outside vendor for the acquisition of goods or services.

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## R

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**RECIPIENT** - Organization receiving assistance.

**REVISION APPLICATION** - A request for a modification in the project's nature, scope of work, and/or budget . Some agencies required signed revised budgets (i.e. NSF).

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## S

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**SITE VISITS** - Provides the sponsor an opportunity for a thorough and equitable review for scientific and technical merit. For project/grant applications, normally only the principal investigator (P.I.) and the co-principal investigator(s) (Co-P.I.) (if any) are involved. Involves detailed discussion of work, inspection of facilities, and review of previous accomplishments and other commitments.

**SOLICITED PROPOSAL** - Request from the agency for proposals for specific project. The concept of the project originates with the agency.

**SPONSOR** - A sponsor may be a government agency (international, federal, state, or local), foundation, a private corporation, or a nonprofit organization such as another educational institution. Sponsors can have different requirements, forms, types of proposals, type and terms of award (grant, contract, cooperative agreement, etc.) and allowable costs.

**SPONSORED PROJECT** - A funded project. Involves an award or agreement which binds NMIMT to a scope of work that is specified to a substantial level of detail or required

deliverables. A line item budget is involved. Financial reports are required and/or the expenses are subject to audit. A period of performance is usually specified. Unused funds must be returned to the sponsor. The agreement provides for the disposition of either tangible or intangible properties (including equipment, records, theses or dissertations, data rights, copyrights, inventions, and research-related materials).

**STIPEND** - fixed sum of money paid periodically for services or to defray expenses.

**SUBCONTRACT** – Instrument used to contract with companies, individuals or institutions outside of NMIMT for services that are for the direct benefit of a sponsored project.

**SUBCONTRACTOR** – Entity which provides goods and services but does not participate in the scope of the work itself. **Normally, a deliverable is not required.** Use Contract for Professional Services ([Form 64C](#)). Example, would include a consultant.

**SUBRECIPIENT** – Organization or individuals which help the prime recipient (grantee) carry out the scope of work identified in a proposal to a funding agency (grantor). **Normally a deliverable is required.** Utilize the [subrecipient policy](#).

Tip for Determining a Subrecipient Relationship: Institutions often use this test to determine a subrecipient relationship:

Whether an individual at the subrecipient entity could be the co-author of scientific manuscripts that describe the research results or whether the subrecipient entity has the right to file for intellectual property protection of inventions or software. (NACUBO 12/2001)

**SUPPLEMENTAL APPLICATIONS** - Supplemental applications are requests for an increase in support during a current funded budget period.

**SUSPENSION** - Action which temporarily stops works and suspends funding pending a corrective action.

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## T

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**TERMINATION** - Cancellation of sponsorship in whole or in part prior to completion date.

**TERMS OF AWARD** - All legal requirements imposed on a grant by the Federal Government, whether by statute, regulation, or terms in the grant award document.

**THIRD PARTY IN-KIND CONTRIBUTIONS** – Value of goods or services provided to the institution by a third party to benefit a specific project. This transaction does not involve the exchange of cash, but rather the receipt of a non-cash contribution from a third party.



**TOTAL PROJECT COSTS** - Direct and Indirect costs charged to the sponsor and direct and indirect costs contributed by NMIMT if cost sharing is present.

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## **U - Z**

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**UNLIQUIDATED OBLIGATIONS** - Commitments made and not yet paid.

**UNOBLIGATED BALANCE** - Funds not committed.

**UNRECOVERED INDIRECT COST** - Difference in awarded amount and what could have been awarded according to approved indirect cost rate. Can be shown as cost sharing or matching on budgets (check agency guidelines).

**UNSOLICITED PROPOSAL** - Proposal is submitted to an agency without being requested. The project concept originates with the principal investigator

**WHITE PAPERS** - represents the thoughts of a vendor on a particular subject. Submitted as a means of generating interest on the part of a prospective grantor.