

Grants, Contracts and Cooperative Agreements

Marywood University is awarded sponsored programs and projects in the form of grants, contracts, and cooperative agreements. The type of agreement usually reflects the relationship between the sponsor and the recipient. The following descriptions point to distinctions between each type of sponsored program or project. Note: these definitions are used by federal agencies. Nonfederal sponsors often use these terms more loosely.

Grant

A grant is a pledge of support where the sponsor has little involvement in conducting the project. Read the agency regulations for specific information about handling the project.

Example: A federal agency might request proposals for projects involving the Americans with Disabilities Act. The Primary Investigator would then propose a project in this area and it would be conducted with little involvement by the sponsor.

Contract

A contract is an agreement where the sponsor has more involvement and uses the project to achieve a specific outcome or deliverable. Read the agreement for specific information about handling the project.

Cooperative Agreement

An agreement where the sponsor has substantial involvement in the project. The sponsor and grantee work together to achieve a specific objective. Read the agreement for specific information about the project.

Cost Reimbursable vs. Fixed-price and Fixed-fee

All types of sponsored projects can be funded in several ways:

- Cost reimbursable

A "cost reimbursable" agreement indicates that the sponsor funds the project to the extent described in the award notice. The University is reimbursed by the sponsor only for actual costs incurred; any unspent funds revert to the sponsor. Similarly, the University is generally not obligated to complete the work if the estimated award amount was insufficient. Since it is inherently difficult to estimate the cost of a research project, most sponsored projects are "cost reimbursable."

- Fixed-price

In a "fixed price" award, the Principle Investigator agrees to accomplish project objectives within a specific time frame for a set dollar amount. If the deliverables are not completed within the award period, the contract must be extended. The award amount also remains constant, even if actual costs for the project are above or below it. This type of award is risky because any over-expenditures are the responsibility of the department. Unspent funds do not revert to the sponsor; remaining funds may be used by initiation department, center or institute in accordance with the recommended indirect policy procedure.

- Fixed-fee

In a "fixed fee" award, the Primary Investigator agrees to accomplish project objectives within a specific time frame for a set dollar amount per patient, per hour, or other unit. These projects are often clinical trials or surveys. The total award amount is based on an estimated number of units and is subject to downward adjustment based on the actual number of units completed. Sponsor approval is required to exceed the estimated number of units. The fee per unit remains constant, even if the actual cost per unit is above or below that amount. Any over-expenditures are the responsibility of the department, and earned unspent revenue does not revert to the sponsor. If the deliverables are not completed within the award period, the contract must be extended.