

TYPES OF AWARDS

CONTRACT

A procurement contract under an award or subaward, and a procurement subcontract under a recipient's or sub-recipient's contract. Contracts may have one of the following forms:

- **Request for Proposal/Request for Quote (RFP/RFQ)** - A sponsoring agency requests performance of a specific research objective and outlines the terms and conditions for the resulting award.
- **Purchase Order** - A common form of procurement agreement often used by industrial concerns.
- **Industrial Sponsored Research Agreement** - A standard contract prepared by PRF/Industrial Contracting and routinely included with proposals to industrial concerns. From Purdue's standpoint, highly preferred to a purchase order.
- **Testing Agreement** - An agreement for a clinical trial, or other study where the protocol is provided by the sponsor.

GRANT

An award of financial assistance, the principal purpose of which is to transfer a thing of value from a federal agency to a recipient to carry out a public purpose of support or stimulation authorized by a law of the United States (see 31 U.S.C. 6101(3)). A grant is distinguished from a contract, which is used to acquire property or services for the federal government's direct benefit or use. There is no substantial involvement between the grantor and the grantee.

COOPERATIVE AGREEMENT

An award of financial assistance that is used to enter into the same kind of relationship as a grant; and is distinguished from a grant in that it provides for substantial involvement between the grantor and the grantee in carrying out the activity contemplated by the award.

FIXED PRICE CONTRACT

A firm-fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties. The contracting officer may use a firm-fixed-price contract in conjunction with an award-fee incentive (see [16.404](#)) and performance or delivery incentives (see [16.402-2](#) and [16.402-3](#)) when the award fee or incentive is based solely on factors other than cost. The contract type remains firm-fixed-price when used with these incentives.

OTHER TRANSACTION AGREEMENT

Other Transaction Agreement/Authority (OTA) is a legal contract with the federal government that is not a grant, cooperative agreement, or a federal contract. Generally it is not subject to FAR, unless otherwise noted in the terms and conditions of the award. Some agencies with authority to use OTAs are NASA, DOD, DHHS (NIH) and DOE.

ALL TYPES ABOVE APPLY TO FLOW-THRU BUT IT IS NOTED AS A "SUB..."

- Cooperative Subagreement
- Fixed Price Subagreement
- Subgrant
- Subcontract
- Fixed Price Cooperative Subagreement
- Fixed Price Subcontract
- OTA Subagreement

EQUIPMENT ONLY AWARDS

Follow definitions above but are funding equipment only:

- Equipment Cooperative Agreement
- Equipment Fixed Price Contract
- Equipment Contract
- Equipment Grant