Overview of Today’s Agenda

• Funded Agreements

• Funded Agreement Entities

• Non-Funded Agreement

• Agreement Terms & Conditions

• Agreement Processing & Routing

• Case Studies
Funded Agreements

- Fixed Price
- Cost Reimbursable
- Grants
- Clinical Trials
- Fee for Service
- Outgoing Subawards

Sponsored Research Projects

What is Sponsored Research?

- A project funded by an award from a grant, contract, or cooperative agreement under which the UW agrees to perform a certain scope of work, according to specified terms and conditions, for a specific budget.
- A sponsored project requires detailed financial accountability and compliance with the sponsor’s terms and conditions.
Funded Agreements – Fixed Price Agreement

- Projects that have a total budget which is accepted by both parties, regardless of the actual costs incurred by the UW.
- The sponsor does not require a financial report of how the UW spends the project budget.
- The parties have an agreed upon payment schedule based either on milestones or dates.

Fixed Price Agreement – Example

- This is a fixed-price agreement. Upon execution of this Agreement, the University will submit an invoice for full payment due within thirty (30) days from receipt of the invoice.
- This is a fixed-price agreement. Upon execution of this Agreement, the University will submit invoices for payment due within thirty (30) days from the receipt of the invoice in accordance with the following schedule:
  - 60% is due upon execution of the agreement;
  - 30% is due ____ days from the start date of the project;
  - 10% is due 30 days after the period of performance ends
  - or
  - $25,000 due Jan. 1st, 2015
  - $25,000 due March 31st, 2015
  - $25,000 due June 30th, 2015
  - $25,000 due Sept. 30, 2015
Fixed Price Agreement

The funds are nonrefundable.

NO
$REFUNDS

Funded Agreements - Cost Reimbursable Agreement

- Projects that have a budget accepted by both parties that is reimbursed based on the **actual expenses** incurred by the UW.
- Payment is based on invoices, financial reports or both which show expenses incurred by the UW during the project.
Cost Reimbursable Agreement - Example

• The university will submit invoices for work done not more often than monthly. The invoice shall reference the agreement number and shall reflect summary detail, by budget category, of the costs incurred.

Cost Reimbursable Agreement

• If the UW does not spend up to the approved budget, we do not receive all the funds.
University’s Standard Research Agreement

- Developed by the UW for industry sponsored research, but can be used for all sponsors

- Use of this agreement, without alteration, eliminates the need for negotiation between the UW and the Sponsor

- Often used as a template to initiate the negotiation process

University’s Standard Research Agreement

- Preamble – Who’s the agreement between?
- Statement of Work – What is the research project?
- PI – Who is doing the work?
- Period of Performance - When is the research project taking place?
- Reimbursement of Costs/Payment Schedule – How are we getting paid?
- Termination – What if the research project needs to stop?
- Reports – How do we tell Sponsor about our results?
- Liability/Warranties/Insurance – What happens if there is a problem?
- Notices – Who do we talk to about what?
Funded Agreements - Grant

- A type of funding mechanism awarded to the UW for the conduct of research or other programs as specified in an approved proposal

- Simple Terms and Conditions
  - Project Dates
  - Award Amount
  - Payment Schedule
  - Performance Reports

Grant - Example NIH
Grant – Example American Heart Association

Funded Agreements - Clinical Trials

- Sponsor pays UW to test the safety or efficacy of a treatment which could include a drug, device, diagnostic or procedure on humans
- Usually driven by FDA regulatory requirements
- May come with additional publication & confidentiality restrictions
- Larry Westby at RSP great contact for CTAs
  - 262-0927 or lwestby@rsp.wisc.edu
Funded Agreements - Fee for Service

- NOT RESEARCH
- Routine work with minimal intellectual input
- Standard pricing
- Personnel-in-training not involved

Criteria
- 136 account established
- Pricing covers all costs (including overhead)
- Accounting procedure are auditable
- Proposed project within 136 definition

Funded Agreements - Outgoing Subawards

A subaward agreement is issued in order to flow down funding from a prime award through the UW to an external party.

NIH • Prime Sponsor

UW Madison • Prime Recipient

Michigan State • Subrecipient
Outgoing Subawards

- RSP issues outgoing subaward under grants, contracts and cooperative agreements.

- Subaward Agreements differ from procurement contracts used to acquire goods or services from vendors.

- To qualify as a subrecipient the external party’s contribution must meet specific criteria. (see UW Determination Questionnaire on RSP website)

- To Process an outgoing subaward - RSP will ask campus to provide detailed information in the Subaward Portal. This includes:
  - good scope of work
  - detailed budget
  - https://www.rsp.wisc.edu/Subs/Internal/SubPortalI.cfm

Outgoing Subawards

- Questions RSP may ask when issuing outgoing subawards:
  - Do we have Prime Sponsor approval? WI State Law requires that all subrecipients be specifically identified and approved by the funding agency.
  - Do we have money in the UW budget? RSP checks WISDM to confirm funding is available for the external party.
  - RSP drafts the outgoing subaward agreement and negotiates the terms and conditions with the subrecipient. You can check the status of the pending subaward agreements here: https://www.rsp.wisc.edu/services/admin/subaward_search/
  - When the outgoing subaward is complete it is uploaded and visible in WISDM.
Overview of Today’s Topic

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- Case Studies

Funded Agreement Entities

- Industry (US & Foreign)
- Federal Contracts/Agreements
- Education Institutions
- Other Governmental Entities (US & Foreign)
- WI State Agencies & Other State Agencies
- Non-Profits & Foundations
- Quasi-Government Grants
- Commodity Board
Industry

- Majority of the research funding that we receive from Industry is in the form of an agreement or contract.
- Industrial contracts consume the most effort to bring a project to the UW.
- Industry and UW have conflicting goals.
  - *Industry wants to make a profit*
  - *UW’s mission is to create and disseminate knowledge*

Federal Government

- Majority of research funding that the UW receives comes from the Federal Government through Grants.
- When the UW does receive a Federal Contract there are additional terms that we need to review and negotiate, if necessary, and the UW is required to sign the contract.
- Example Additional Terms
  - Federal Acquisition Regulation (FAR) Clauses
  - Specific Deliverables
Other Institutes of Higher Education

- Typically, other universities will provide a standard agreement for the project. If they don’t have one, UW’s Standard Research Agreement can be used.
- If the University/College is a member of FDP, they may provide the standard FDP Sub-Agreement.
  - Make sure no additional terms are added to the FDP Sub-Agreement.
  - Some universities might have specific items that they require that are outside the FDP terms.

WI State Agencies & Other State Agencies

- UW receives funding from the State of Wisconsin.
- UW has specific arrangements set up with the other state agencies (ie. DNR, DOA, etc.).
  - Inter-Agency Agreements
  - Purchase Orders
  - Work Orders
  - Shared Grants (other UW System Colleges)
- UW also receives funding from various cities and counties in Wisconsin and other state agencies.
  - There are no standardized arrangements set up with them.
Non-Profits & Foundations

• Provide the UW with a signed grant letter and if UW accepts grant conditions we counter sign.
  • Purpose
  • Period
  • Conditions
  • Reporting

• Similar goals or mission of UW – interested in the results of the research and disseminating that knowledge to the public.

Quasi-Government Organizations

• Agency or organization that is generally funded with government money but functions independently of the government.
  • Distinct legal form
  • Created by the government to act independently
  • Established to operate in commercial affairs

Example: Wisconsin Economic Development Corporation
Commodity Board

- Represent businesses and other stakeholders involved in the same commodity market such as meat, fish, dairy products, or wine.
- They are mainly found in the agrifood sector, and represent the entire production chain from raw material to finished product.
- They can have a state, regional, or national presence.
- They have a variety of award mechanisms from grant agreements to simply sending a check.
- Funding comes from a percentage of market sales for that commodity, but often times the commodity boards are working directly with governmental regulatory agencies.
- This is nonfederal funding even if some of the terms and conditions resemble what you might see in a federal grant or contract.

Examples: United Soybean Board, American Meat Institute, Wisconsin Corn Promotion Board, and the Cranberry Institute

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Non-Funded Agreements

- Confidential Disclosure & Non-Disclosure
- Collaboration
- Materials Transfer

Confidential & Non-Disclosure Agreements

- Agreement to keep information transferred from one party to another secret
- Often preliminary to establishing research relationship
- Must be signed by UW
- It should not have Publication, Copyright or Ownership language
- Flavors
  - One-way
  - Two-way (Mutual)
  - University
  - WARF
Collaboration Agreements

- Both parties agree to contribute resources and work together to find an answer to a particular research inquiry
  - Materials & equipment
  - Personnel, or specialized expertise to the project

- Agreement involves no transfer of money

Examples of Collaboration Agreements
- Consortium Agreements
- Memo of Understanding Agreements

Material Transfer Agreements

- An agreement that defines the obligations each party undertakes when a research material is transferred from one organization to another.

- Transfer of materials can be achieved in one of two ways.
Material Transfer Agreements

• UW PI is receiving materials - Required
  • Sponsor provides compound, drug, biological material, cell line, mice, etc. for use in UW research
  • UW provides funding for the research
  • Materials often highly proprietary

• UW PI is sending materials
  • UW investigator provides material to sponsor
  • May need WARF management

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Agreement Terms & Conditions

- Terms and conditions set forth guidelines for how both parties will engage with each other during the course of the project.

- The terms set forth each party’s obligations: Who is responsible for what?

Why does it take so long...

- No two agreements are alike
  - Career of researcher
  - Student involvement
  - Sponsor

- Multiple stakeholders

- Sponsor needs don’t always match University needs
University Needs
• Set by institutional policy
  • Ability to publish
  • Retain ownership of results
  • Recovery of costs
• Set by law
  • Liability
  • Term of confidentiality
• Set by both
  • Rights in intellectual property

Sponsor Needs
• Depends on sponsor type
  • For Profit:
    • Need to meet bottom line
    • Organizational policy
  • Non-Profit:
    • Organizational rules
    • Mission rules
• Could be set by law
  • FDA requirements
  • Provisions of their own awards
Role of Negotiation - Reconciliation

- Protect organizational needs.
- Protect investigator needs.
- Protect student needs.
- Protect the collaboration.
- Ensure everyone can be happy with results.

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Agreement Processing & Routing

Agreement is entered into WISPER and routed to your Division for review.

Division reviews records – Depending on the type of agreement, the record/agreement could be routed to a number of different offices on campus for review.

Where does my Agreement go?

- Research & Sponsored Programs (RSP)
- Office of Industrial Partnerships (OIP)
Agreements Reviewed by RSP

- Federal contracts including those that are federal pass through awards
- State of Wisconsin agreements and shared grants and awards from other state governmental agencies
- Commodity Board agreements
- Nonprofit/Foundation grant agreements
- Quasi-Government Grants/Contracts
- Clinical Trials

Agreements Reviewed by OIP

- Industry sponsored research agreements
- Material Transfer Agreements (MTA’s)
- Confidentiality Agreements (CDA’s)
- Fee-for-Service Agreements
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YOUR TURN

3 Case Studies
Case Study #1

A PI approaches you and hands you a check for $10,000 with a letter that says, "Congratulations, your proposal was reviewed and selected for funding. Please confirm receipt of this check and provide a report at the completion of your project."

- Question-
  - What do you need to do next?

Case Study #2

A PI routes a record to you with a scope of work and an agreement. The document type is listed as fee-for-service, but upon your review, the scope of work looks like research.

- Question-
  - Where could you go to get assistance if you were not sure what type of agreement this is?
  - What information do you think may be helpful in figuring this out?
  - Where will this agreement end up getting negotiated and signed?
Case Study #3

- A PI and a local company want to set up a meeting to discuss potential research collaborations. The company has asked that the University sign an agreement before the meeting takes place.

- Question –
  - What type of an agreement should be signed?
  - Where would the agreement be routed through?

Resources & Contact Info

- RSP - www.rsp.wisc.edu
- OIP - http://www.grad.wisc.edu/oip/
- WARF - http://www.warf.org/

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