

# GLOSSARY

This page intentionally left blank.

The following terms are frequently encountered in awarding and administering grants and are used throughout this document.<sup>1</sup> Other policy-specific terms are defined in the appropriate sections of this manual.

**Academic Fraud** - A deliberate effort to deceive, including plagiarism, fabrication of data, misrepresentation of historical sources, tampering with evidence, selective suppression of unwanted or unacceptable results, and theft of ideas.

**Acquisition Cost** - The net invoice price of property or supplies including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, are included in the unit acquisition cost in accordance with the recipient's regular accounting practices. It does not include costs for rental of property or alteration and rental of real property.

**Administrative Requirements** - The general business management practices that are common to the administration of all grants, such as financial accountability, reporting, property management, and retention of records.

**Advance** - A payment made to a recipient upon its request either before cash disbursements are made by the recipient or through the use of predetermined payment schedules.

**Allocable Cost** - A cost is allocable to a particular cost objective (i.e., a specific function, grant project, service, department, or other activity) in accordance with the relative benefits received. A cost is allocable to an award where it is treated consistently with other costs incurred for the same purpose in like circumstances and (1) is incurred specifically for the award; or (2) benefits both the award and other work and can be distributed in reasonable proportion to the benefits received; or (3) is necessary to the overall operation of the organization.

**Allocation** - The process of assigning a cost, or a group of costs, to one or more cost objectives, in reasonable and realistic proportion to the benefit provided or other equitable relationship.

**Allowable Cost** - A cost incurred by a recipient that is: (1) reasonable for the performance of the award; (2) allocable; (3) in conformance with any limitations or exclusions set forth in the Federal cost principles applicable to the organization incurring the cost or in the Notice of Grant Award document as to types or amount of cost items; (4) consistent with internal regulations, policies and procedures that apply uniformly to both Federally-financed and other activities of the organization; (5) accorded consistent treatment; (6) determined in accordance with generally accepted accounting principles; and (7) not included as a cost in any other Federally-financed grant (unless specifically authorized).

**Amendment** - Any change to a contractual agreement needing official signing.

**Annuity Trust** - A trust that pays an agreed-upon sum of money at agreed-upon intervals, drawing from the trust's principal when income from the trust is insufficient to make the agreed-upon payments.

---

<sup>1</sup> Many of the definitions in this section were reproduced from *Grants Policy Directive 1.02, Health & Human Services Transmittal 94.01 (3/30/94)* and the University of Chicago web site.

**Applicable Credit** - Those receipts that offset or reduce direct or indirect costs. Typical examples of such transactions are: purchase discounts, rebates, or allowances; recoveries or indemnities on losses; insurance refunds; and adjustments of overpayments or erroneous charges.

**Assurance** - A certification by an applicant normally included with the application that it will abide by a particular requirement if awarded a grant.

**Authorized Signature** - The signature of a University or Foundation official who is designated to give assurances, make commitments, and execute such documents on behalf of the University or Foundation as may be required by federal and state agencies and other organizations which provide financial assistance; the signature of an authorized official certifies that commitments made on grant proposals or contract agreements can be honored; and ensures that all sponsored agreements conform to federal regulations, agency guidelines, and University and Foundation policies.

**Award** - The provision of funds or direct assistance in lieu of funds based on an approved application and budget to provide general financial assistance to an organization or an individual to carry out an activity or program.

**Bargain Sale** - An arrangement in which a donor sells appreciated property (stocks, bonds, real estate) to a charity at a price that is significantly lower than its fair market value, in effect making a partial gift of the asset to the charity. This arrangement enables the donor to recover part, all, or more of his/her initial investment in the property and to deduct the difference between the sale price and the value as a charitable gift. Note, however, that the donor must pay income tax on part of the gain, using a formula provided in tax regulations.

**Bequest** - A gift made by will (technically, of personal property).

**Block Grants** - A type of mandatory grant where the recipients (normally States) have substantial authority over the type of activities to support, with minimal Federal administrative restrictions. The basic premise is that States should be free to target resources and design administrative mechanisms to provide services to meet the needs of their citizens.

**Budget** - The amount of spending authority awarded by outside funding sources that the Foundation has a legal claim to collect.

**Budget Period** - The intervals of time into which a multi-year period of assistance (project period) is divided for budgetary and funding purposes. Budget periods are usually 12 months long but may be shorter or longer, if appropriate.

**Capital Expenditure** - The cost of an asset, including the cost to put it in place. Capital expenditure for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it was acquired. Ancillary charges, such as taxes, duty, protective in-transit insurance, freight, and installation may be included in the capital expenditure cost in accordance with the recipient organization's regular accounting practices.

**Cash** - Currency, coins, checks, credit cards, and sales drafts.

**Catalogue of Federal Domestic Assistance (CFDA)** - A catalogue published twice a year which describes domestic assistance programs administered by the Federal government. This government wide compendium of Federal programs lists projects, services, and activities which provide assistance or benefits to the American public.

**Change of Principal Investigator** - A process whereby the approved principal investigator is replaced, either temporarily or permanently. Requires funding agency approval.

**Change of Scope** - A process whereby the objectives or specific aims identified in the approved grant application are significantly changed. Requires funding agency approval.

**Charitable Gift Annuity** - A contract between the donor and a charity in which the donor transfers assets to the charity. The charity agrees to pay a specified sum of money each year to the donor, for a fixed period (usually life). The assets exceed the present value of the expected payments to the donor, and the charity receives the surplus (mortality tables are used to make this calculation). The donor can claim as a charitable tax deduction the difference between the present value of the expected payments and the value of the assets.

**Charitable Lead Trust** - (also called Charitable Income Trust) A trust in which the donor transfers income-producing assets to a trustee and instructs the trustee to pay a fixed amount or annual percentage to charity for the term of the trust. At the end of the trust term, assets remaining in the trust are conveyed to the donor or his/her beneficiary or beneficiaries. The donor can claim as a charitable tax deduction the present value of the expected payments to charity.

**Charitable Remainder Trust** - A trust which provides for a specified distribution, at least annually, to one or more beneficiaries, at least one of which is not a charity, for life or for a term of years, with an irrevocable remainder interest to be held for the benefit of, or paid over, to charity.

**Charitable Remainder Annuity Trust** - A trust that pays the donor or the donor's beneficiary an agreed-upon annual income for the life of the donor or for a specific term. The principal remaining from this type of trust eventually passes to a qualified charity.

**Charitable Remainder Unitrust** - Under Code Section 664(d) (2) and the regulations thereunder, there are three variations of the Unitrust:

- 1) "Straight" Unitrust - donor irrevocably transfers money, securities or property to a separately invested trust having a charitable remainder. The trust makes payments to named beneficiaries at least annually in an amount equal to a fixed percentage (not less than five percent) of the net fair market value of the trust assets, determined once each year. The donor may designate himself and/or other beneficiaries to receive these payments for life, so long as the designated beneficiaries are alive at the time the trust is created. Alternatively, the trust instrument may provide for payment to be made for a term of years, not to exceed twenty. At the expiration of all income interests the assets are distributed to the charitable organization(s).
- 2) "Net Income" Unitrust - The same as a "straight" Unitrust except the payments to the beneficiary are limited to the actual income earned by the trust up to, but not exceeding, the fixed percentage stated in the trust agreement.
- 3) "Net Plus Markup" Unitrust - Payments limited to ordinary earned income as in the "net income" Unitrust, except that payments may exceed the stated percentage up to, but not exceeding, amount required to make up any accumulated deficiencies from prior years - (years in which the trust earned less than the stated percentage).

**Closeout** - The process by which the awarding office determines whether all applicable administrative actions and all work required by the grant have been completed by the recipient and the awarding agency for a project.

**Consortium Grant** - A grant to one institution in support of a project in which any programmatic activity is carried out through a collaborative arrangement between or among the recipient institution and one or more other institutions or organizations which are separate legal entities, administratively independent of the recipient. The involvement of the non-recipient (collaborating) institutions is that of actually performing a portion of the programmatic activity.

**Consultant** - A person who is engaged to give professional advice or services for a fee, but is not acting as an employee.

**Continuing or Continuation Support** - On-going support provided by an agency which has been awarded for more than one funding period. A continuation proposal is normally submitted at the end of each budget period in order to receive the next increment of funding. Continuation proposals may be competing (i.e., they are placed in competition with other proposals for funding) or non-competing (they may be referred to as renewal proposals).

**Contract** - An award instrument used for the acquisition of property or services.

**Cooperative Agreement** - An award instrument of financial assistance where "substantial involvement" is anticipated between the awarding agency and the recipient during performance of the contemplated project or activity. "Substantial involvement" means that the recipient can expect awarding agency programmatic collaboration or participation in managing the award.

**Cost Sharing or Matching** - The value of allowable third party contributions to projects. The allowable costs of a program which are not borne by the awarding agency.

**Deferred Payment Gift Annuity** - A charitable Gift Annuity in which payments to the donor are deferred until such time that they can be made at a higher rate (shorter life expectancy) and may be taxable at a lower rate. (See "Charitable Gift Annuity").

**Department of Health and Human Services (DHHS)** - A federal funding agency.

**Direct Costs** - Those costs that can be specifically identified with a particular project, program, or activity.

**Employer Identification Number (EIN)** - (1) for individuals, the social security number; or (2) for organizations, the unique number assigned by the Internal Revenue Service.

**Encumbrances** - A specific amount of funds that have been set aside in an account for the receipt of an order or the payment of an invoice. Encumbrances reduce the available balance of an account.

**Equipment** - The tangible nonexpendable personal property (including exempt property) charged directly to an award having a useful life of more than one year and an acquisition cost of \$5000 or more per unit.

**Executive Order 12372 (Intergovernmental Review of Federal Programs)** - The process under which State and local officials review certain proposed Federal financial assistance (usually in the form of grant applications). The objectives of the process are to increase State flexibility to design a consultation process and select the programs it wishes to review, increase the ability of State and local elected officials to influence Federal decisions, and compel Federal officials to be more responsive to State concerns. For those states that participate in the process, a single State official or organization is designated for coordination of the review process and to send official State process comments and recommendations to Federal agencies. These State officials or organizations are referred to as State Single Points of Contact (SPOCs). (Call Grants & Contracts [at x57639](#) for the name, address and phone for SPOC.)

**Expanded Authorities** - A revision to the original prior approval procedure whereby grants are allowed greater internal authority to approval post award changes (see IPAS and OPAS).

**Expiration Date** - The date as indicated on the Notice of Grant Award, after which the recipient does not have authority to obligate grant funds (i.e., the end of a budget period).

**Facilities and Administrative Costs Base** - The accumulated direct costs (total direct costs exclusive of any extraordinary or distorting expenditure) that are used to distribute facilities and administrative costs to individual awards.

**Facilities and Administrative Costs Pool** - The accumulated costs that jointly benefit two or more programs or other cost objectives.

**Facilities and Administrative Costs Proposal** - The documentation prepared by a recipient to substantiate its claim for the reimbursement of facilities and administrative costs. This proposal provides the basis for review, audit, and negotiation leading to the establishment of the organization's facilities and administrative costs rate(s).

**Facilities and Administrative Costs Rate Agreement** - The document that formalizes the establishment of facilities and administrative cost rates and provides information on the proper application of the rates.

**Facilities and Administrative Cost Rate** - The ratio, expressed as a percentage, of an organization's total facilities and administrative costs to its direct cost base. When a rate is established for a specific activity or program, the rate represents the ratio of the total facilities and administrative costs allocated to the activity or program to the direct base costs of the activity or program.

**Facilities and Administrative Costs** - Those costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, program, or activity but are nevertheless necessary to the operations of the organization. For example, the costs of operating and maintaining facilities, depreciation, and administration costs are generally treated as facilities and administrative costs.

**Indirect Costs** - see Facilities and Administrative Costs.

**Fair Market Value** - The price that a prudent person would pay for property, services, or other assets at a particular time under free market conditions in the conduct of competitive business.

**Federal Acquisition Regulation (FAR)** - The codification of uniform policies and procedures for acquisition by all executive agencies of the Federal government except those statutorily exempted.

**Foundation Programs** - Projects to support various activities.

**GAAP** (*Generally Accepted Accounting Principles*)

**General-purpose Equipment** - Any equipment not limited in use only to research, medical, scientific, or other technical activities. Examples of such equipment are office equipment and furnishings, heating and cooling units, reproduction and printing equipment, passenger and cargo vehicles, computing and automatic data processing devices, cameras, refrigerators, and freezers. The governing criterion for distinguishing general-purpose equipment from special-purpose equipment is the potential use of the equipment, not its actual use. General-purpose equipment does not become special-purpose equipment merely because it is used solely on research, medical, scientific, or other technical activities, or because it is used in a scientific or technical location or environment.

**Gift** - Something of value that is voluntarily transferred by one person to another without compensation.

**Grant** - A financial assistance mechanism whereby money and/or direct assistance is provided to carry out approved activities.

**Grantee** - The organizational entity to which a grant is awarded and which is accountable for the use of the funds provided and responsible for the performance of the grant-supported project or activities.

**Human Subjects** - Individuals whose physiologic or behavioral characteristics and responses are the object of study in a research project. Under federal regulations, human subjects are defined as living individuals about whom an investigator conducting research obtains data through intervention or interaction with the individuals or identifiable private information.

**Institutional Review Board (IRB)** - A recipient administrative body established to protect the rights and welfare of human research subjects recruited to participate in research activities conducted under the auspices of the institution with which it is affiliated. The IRB has the authority to approve, require modifications in, or disapprove all research activities that fall within its jurisdiction.

**Internal Manager** - Foundation employee who acts as a point of contact for project personnel to answer questions, act as a liaison with funding agencies, etc. (Also referred to as Foundation Programs Administrator or Grants and Contracts Administrator).

**Invention** - Any discovery which is or may be patentable or otherwise protectable. The term "subject invention" means any invention of an awardee conceived or first actually reduced to practice in the performance of work under a funding agreement, i.e., contract, grant, or cooperative agreement.

**Invention Reporting** - The requirement that recipients of contracts, grants or cooperative agreements fully disclose any subject inventions made during the performance of work under a funding agreement in order to protect the awarding agency's rights.

**IPAS** (*Institutional Prior Approval System*) - Internal approval authority extended to grantees by the National Institute of Health which expedites post-award changes necessary for the conduct of a project.

**Joint and Survivorship Gift Annuity** - A Charitable Gift Annuity based and paid on the lives of two persons. After the deaths of one, survivor continues to receive the annuity for life. (See "Charitable Gift Annuity").

**Legal Remainder Gift (Remainder Deed)** - An arrangement in which a donor irrevocably transfers to charity a remainder interest ownership of a personal residence or farm. In return, the donor receives an immediate charitable income tax deduction based on the present value of the property at the time of the gift. By retaining a life interest in the property, the donor is free to use

it and manage it almost as he/she wishes - live in it, rent it, remodel it, etc. The donor generally continues to pay property taxes, insurance premiums, and mortgage (assuming the property is not free and clear). Upon the donor's death, the charity takes physical possession of the property and, in most cases, liquidates it.

**Local Government** - A county, municipality, city, town, township, local public authority (including any public and Indian housing agency), school district, special district, intra-State district, council of governments (whether or not incorporated as a nonprofit corporation under State law), any other regional or interstate government entity (such as regional planning agencies), or any agency or instrumentality of a local government. The term does not include institutions of higher education and hospitals.

**Minority Business Enterprise** - A business, at least 51 percent of which is owned, controlled, and managed by a minority group member.

**Misconduct in Science** - Fabrication, falsification, plagiarism, or other practices in carrying out research or in proposing, conducting, or reporting research that seriously deviates from those that are commonly accepted within the scientific community. It does not include honest error or honest differences in interpretations or judgments of data.

**Narrative Report** - A report submitted by an investigator on the progress and/or status of a project supported by sponsored funds. Narrative reports are part of the conditions of many sponsored agreements; may be submitted as an interim report, with continuation proposals, requests for supplemental funding, or at the termination of a sponsored project.

**National Institutes of Health (NIH)** - A federal funding agency.

**No-Cost Extension** - An extension of time to a project period and/or budget period to complete the work of the grant under that period, without additional granting agency funds or competition.

**Nongovernmental Organization** - A public or private institution of higher education; a public or private hospital; an Indian tribe or Indian tribal organization which is not a Federally-recognized Indian tribal government; and a quasi-public or private nonprofit government or commercial organization. The term does not include a State or local agency, a foreign or international governmental organization (such as an agency of the United Nations), or a government-owned contractor-operated facility or research center.

**Nonprofit Organization** - A corporation or association whose profits may not lawfully accrue to the benefit of any private shareholder or individual.

**National Science Foundation (NSF)** - A federal funding agency.

**OMB** - The United States Office of Management and Budget.

**OMB Circular A-21** - The OMB Circular establishing the cost principles for allowability of costs incurred by institutions of higher education under Federally-sponsored agreements.

**OMB Circular A-110** - The OMB Circular establishing the administrative standards for grants and cooperative agreements to nongovernmental organizations.

**OMB Circular A-133** - The OMB Circular establishing audit requirements for institutions of higher education and other nonprofit organizations.

**OPAS** (*Organizational Prior Approval System*) - Internal approval authority extended to grantees by the National Science Foundation which expedites post-award changes necessary for the conduct of a project.

**Pooled Income Fund** - An arrangement in which a donor irrevocably transfers assets (usually cash) to a trustee, and they are commingled and invested in a "pooled" fund with other donor's gifts (not unlike a mutual fund). The donor receives a portion of the total income from the fund annually. When the donor dies, his/her remainder interest in the fund is conveyed to the charity. The donor's annual income from the fund is based on the proportion of fund assets he/she owns, as well as on the fund's total income.

**Pre-Award Costs** - Costs which are incurred before the beginning dates of an award or budget period but can be associated with the research project.

**Predetermined Facilities and Administrative Cost Rate** - A facilities and administrative cost rate, applicable to a specified current or future period, usually the recipient's fiscal year. This rate is based on an estimate of the costs to be incurred during the period. Except under very unusual circumstances, a predetermined rate is not subject to adjustment.

**Prior Approval** - The written permission provided by the authorized granting official from the HHS awarding office before the recipient may undertake certain activities (such as performance or modification of an activity), expend funds, or exceed a certain dollar level.

**Program Income** - Regarding assistance relationships, the gross income received by the recipient and/or sub-recipient that was directly generated by the supported activity, or earned as a result of the award. Program income includes (but is not limited to) income from fees for services performed, the use or rental of real or personal property acquired under the grant, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and payments of interest on loans made with grant funds. Except as otherwise provided in statute, regulation, or the terms and conditions of the award, program income does not include interest earned on advances of grant or subgrant funds, or rebates, credits, discounts, refunds, etc., or interest earned on any of them.

**Progress or Performance Report** - A regular recipient report which contains for each grant information on the comparison of actual accomplishments to objectives established for the period. In addition, where the output of the project can be quantified, a computation of the cost per unit of output may be required.

**Project Costs** - The total allowable costs, as set forth in the applicable Federal cost principles, incurred by a recipient (and the value of the in-kind contributions made by third parties) in accomplishing the objectives of the award during the project period.

**Project Director/Program Director/Principal Investigator** - An individual designated by the recipient to direct the project or program being supported by the grant. He or she is responsible to recipient organization officials for the proper conduct of the project or program. The entity (organization) is, in turn, legally accountable to the awarding agency for the performance and financial aspects of the grant-supported activity.

**Project Period** - The total time stated in the Notice of Grant Award (including any amendments) for which Federal support is recommended. The period will consist of one or more budget periods. It does not constitute a commitment by the awarding agency to fund the entire period.

**Property** - The term, unless otherwise state, includes real property, equipment, intangible property and debt instruments.

**Proposal** - A set of documents containing a descriptive narrative of an idea and a budget to be submitted to a funding agency for sponsored support. Some agencies require that proposals are submitted on preprinted forms while others have no specific format.

**Protocol** - The methodology used in conducting a sponsored project.

**Public Health Service (PHS)** - That organization primarily responsible for supporting the health-related activities of DHHS.

**Q-TIP Trust** - The Economic Recovery Tax Act of 1981 made available a planned giving vehicle which is similar to a qualified charitable remainder trust, but without the stringent technical requirements. A person can establish a "qualified terminal interest property trust" (Q-TIP Trust) for the benefit of his/her spouse, with the remainder to the Foundation. There is no charitable income tax deduction and the trust is not tax-exempt, because it is not a charitable remainder trust. However, the entire trust qualifies for the marital deduction in the first spouse's estate and for the charitable deduction in the second spouse's estate, and thus generates no tax with respect to either spouse's life interest or the charitable remainder trust.

A Q-TIP trust with a charitable remainder is flexible. For example, trust payments to the surviving spouse need not be limited to an annuity or Unitrust amount, but may be determined by the needs of the surviving spouse.

**Real Property** - Land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

**Reasonable Cost** - A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

**Rebudgeting** - Changes made to the sponsored agreement's awarded budget.

**Recipient** - The grantee or, where sub-grants are authorized by law, the sub-grantee that receives financial assistance in the form of grants or cooperative agreements.

**Remainder** - The rights that a person or organization has to receive what remains in a trust when it terminates.

**Single Life Gifts Annuity** - A Charitable Gift Annuity based and paid on the life of one person (See "Charitable Gift Annuity").

**Small Business Concern** - A business, including its affiliates, which is independently-owned and operated, is not dominant in the field of operation, and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the Small Business Administration (Title 13 CFR 121, "Small Business Concern").

**Special-purpose Equipment** - That equipment which is only usable for research, medical, scientific, or other technical activities. This includes such items as microscopes, X-ray machines, and surgical instruments. The governing criterion for distinguishing general-purpose equipment from special purpose equipment is the potential use of the equipment, not its actual use. General-purpose equipment does not become special-purpose equipment merely because it is used only on research, medical, scientific or other technical activities, or because it is used in a scientific or technical location or environment.

**Sponsored Project** - An activity that is funded from outside the University, from federal or non-federal sources.

**Stewardship** - The management of assistance programs to be exercised by Federal officials. Grants management officials oversee the process of evaluating and awarding grants and actively participate in the management of grants to ensure that funding is properly and prudently utilized, that all applicable laws and regulations are followed, and that the mission of the sponsor is furthered.

**Stipend** - A payment made to an individual under a fellowship or training grant in accordance with preestablished levels to provide for the individual's living expenses during the period of training.

**Subgrant/Subaward** - Financial assistance in the form of money, or property in lieu of money, made by a recipient to an eligible subrecipient using Federal funds. The term includes such financial assistance when provided by any legal agreement (even if the agreement is called a contract) but does not include any form of assistance which is excluded from the definition of "grant."

**Supplement** - An increase in the amount of funding by the sponsor to an existing award. Supplemental funding increases the award and extends the award period.

**Supplies** - All personal property excluding equipment, intangible property, debt instruments, and inventions of a contractor conceived or first actually reduced to practice in the performance of work under a funding agreement ("subject inventions"), as defined in 37 CFR Part 401, "Rights to Inventions Made by Non-profit Organizations and Small Business Firms Under Government Grants, Contracts, and Cooperative Agreements."

**Surplus Property** - That property no longer needed by the Federal government, declared surplus by the United States General Services Administration, and available for donation for authorized purposes.

**Survivorship Gift Annuity** - A Charitable Gift Annuity arranged during the donor's lifetime. A payment is made to the donor for life, then to the designated survivor for the rest of his/her life. (See "Charitable Gift Annuity").

**Technical Report** - See **Narrative Report**.

**Testamentary Trust** - A trust established by the will of its creator for the benefit of survivors. This trust comes into being only after the death of the person whose will creates it. The will must be probated to bring the trust into existence.

**Third-party In-Kind Contribution** - The value of non-cash contributions directly benefitting a grant-supported project or program that are provided by non-Federal third parties to the recipient, the subrecipient, or a cost-type contractor under the grant or subgrant without charge. In-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and goods and services directly benefitting and specifically identifiable to the project or program.

**Trust** - A legal agreement by which something of value is owned by a person or persons for the benefit of another. In practice, this means that a person transfers assets to a trust, which, for tax purposes, is a separate legal entity (this is not true, however, for revocable trusts).

**Unallowable Cost** - A cost determined to be unallowable in accordance with the applicable Federal cost principles or other terms and conditions contained in a grant award.

**Unobligated Balance** - The portion of the funds authorized by the Federal agency that has not been obligated by the recipient.

**Unrecovered Facilities and Administrative Costs** - The difference between the amount awarded and the amount which could have been awarded under the recipient's approved, negotiated facilities and administrative cost rate.

**Vertebrate Animals** - Any live animal having a backbone or spinal column used or intended for use in research, research training, experimentation or biological testing or for related purposes.

**Woman-owned Business** - A business which is, at least, 51 percent owned, controlled, and operated by a woman or women.

This page intentionally left blank.