

## **Definition of Sponsored Project**

A “sponsored project” is an exchange transaction between the University of South Alabama and a sponsor. A University-based project receiving either direct or indirect external support from any federal, state, local or other governmental entity shall be classified as a “sponsored project.” Other potential sponsors are private business and industry, not-for-profit organizations, and other educational institutions. The type of agreement may be a grant, contract, cooperative agreement, consulting agreement or other exchange transaction.

A University “sponsored project” is not a purchase or sale of goods but instead is a mutual exchange involving the University and a sponsor. Sponsors may provide funding, equipment or other tangible items, such as goods or services, for research, training, education programs, analytical services or other rights or goods. A gift from a donor with no expectation of a return on investment is not a “sponsored project.”

In some instances, a sponsored project agreement may contain conditions such as those listed below. In these instances, SPA will generally need to negotiate with the sponsor for modifications.

- A. Requirement to produce specific goods, services, or other deliverables;
- B. Performance milestones;
- C. The support is used for research-related patient care services, including routine cost of care delivered as part of the research project;
- D. Testing or assessment of the sponsor’s products or services or conducting research that is otherwise likely to have a significant effect on the sponsor’s business; or
- E. The support is from industry for research or clinical trials relating to the donor’s products or immediate business.
- F. Transfer of intellectual property, ownership, or related rights;
- G. Insurance, indemnification, or warranty or any other contractual term or condition that establishes financial or legal responsibilities and/or the acceptance of risk by the University;
- H. Restrictions on publication of research results;
- I. Withholding or refunding of the support if the project fails to meet performance requirements or project objectives, including certain research outcomes;

The Office of Sponsored Projects Administration reviews and processes “sponsored projects.” Those projects which meet the conditions listed should follow all processes found at <http://www.southalabama.edu/departments/research/spa/project-management/proposal-routing.html>