



SOCIETY OF
RESEARCH
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Non-federal Funding Basics

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Non-Federal Funding Basics

- Objective 1
 - Identify issues to watch for in seeking commercial funding.
- Objective 2
 - Understand how the formulation of a non-profits board affects proposal submission and review.

Non-Federal Funding Basics

- For-Profit Sponsors
- Foundations and Non-Profits Sponsors
- State Agency Sponsors
- Indian Nation and Foreign Nation Sponsors

For-Profit Sponsors

What is a For-Profit (commercial) Sponsor?

An entity whose primary goal is to earn income beyond expenses. They can be private or public entities. They may be a company, sole proprietorship, or partnership. They make their income from sales of products and/or services. Profit is shared with owners, employees, and shareholders/investors.

How the entity is organized will determine if it has a board or not and there can be many ways they are structured which may affect who approves activities and signs paperwork.

For-Profit Sponsor Examples

- Boeing Defense and Space Group (Boeing)
- Carnegie Corporation
- Devon
- Raytheon
- Johnson and Johnson
- Schlumberger
- L3Harris Technologies, Inc.
- Honeywell Federal Manufacturing and Technologies
- Indian Exploration, LLC

Types of Actions Commonly Processed

- Subcontracts
- Contracts – payment on receipt, by milestones, fixed price
 - **Issues with fixed price**
- Grants are also possible but usually come from a foundation associated with the for-profit
- These can be direct from the for-profit or **flow-through** from a federal or other sponsor (prime sponsor)

Finding Funding

- Meta search engines like Google, Dogpile, Bing, etc. (company name searches and key word searches)
- Company websites (also look for companion Foundation websites)
- Resources within your organization (or state) that facilitate work with/for companies (Corporate Partnerships Office, Regional Economic Development, etc.)
- Look at award and linkage information from federal agencies (especially Small Business Innovation Research [SBIR] and Small Business Technology Transfer [STTR]).

Connecting PI to Sponsor

- They may reach out to PI based on publications or awards received.
- The PI may reach out to the for-profit based on similar interests or information on past funding or awards.
- Access website and look for grants/bid information or possible contacts for information.
- See if there are newsletters or listserves to join.
- See if there are public meetings (Chamber of Commerce).
- Look for info on prior awardees and ‘link up’.

For-Profit Sponsors: Issues and Tips

- Equipment deliverables do not allow fabricated parts as equipment (full indirect costs [idc])
- Travel – usually not allowed unless project specific (rare they will allow conference attendance for networking/dissemination)
- Tuition Remission – University may not accept restriction on tuition remission unless a flow-through restriction is involved (or you have special permission from Graduate College and/or VPRP)

For-Profit Sponsors: Issues and Tips

- They may want a Non-Disclosure Agreement or some other type of teaming or other agreement to protect proprietary information before much proposal development/discussion is done
 - PI should not sign anything
 - Coordinate with Legal, OTC, Export Control, as needed
- Many for-profits have limited experience doing proposals in general, or working with Universities, which can have impacts on what they ask for.

For-Profit Sponsors: Issues and Tips

- Not uncommon for the company to ask for reduced idc (especially when talking to PI). Usually negotiated indirect costs must be used with a For-Profit sponsor. State organizations may be legally bound to use negotiated idc as it could be against State law (deemed to afford special benefit to one commercial entity over another.)
- For Profit use of organizational space.
- PI giving away work (providing service or item desired before award negotiations are finalized).

For-Profit Sponsors: Issues and Tips

- Conflict of Interest.
 - May be financial or relational conflict
 - Declare when in doubt; Does not have to exist – perception is the standard for declaration
 - Companies need their own COI policy and procedures.
- Desk audit can lead to in-person or detailed audits
 - Company address is a house address.
 - PI or other proposal/award members who have undeclared relationship (fiscal or relational) with the company
 - Use of another entities phone, email, or address information with the company registration information or with proposal/award documents that should be coming from the company.

For Profit Sponsors: Issues and Tips

- Proposals submitted via email, mail (recommend trackable), hand delivery, or electronic submission system
- Extra time may be needed for involvement of Office of Technology & Commercialization and Legal (both internally and within the For Profit) during submission and award stages.

Foundations and Non-Profit Sponsors

What is a Foundations or Non-Profit?

- Foundation and non-profit sponsors are both established to support public good; however, they differ in how they are funded, in how they accomplish and support their work as well as how they govern themselves. Both are usually tax-exempt. A foundation may be a private foundation or a non-profit.

What is a Foundations or Non-Profit?

- A private foundation is usually established by an individual, a family, or a corporation and they usually fund the foundation operations. They decide who is on the board (if there is one), how funds are invested and how they are dispersed. They decide who is funded or how the funding decisions are made and may conduct their own activities along with making grants.
- A non-profit or public charity usually accepts donations or fundraises to support their operations. They may not make grants but may perform their own charitable activities. They must be run by a board and the board members can't be related by marriage or blood. Usually, the board makes final decisions on operations and grant decisions, or they establish the policy on how things are handled.

Foundation and Non-Profit Examples

- Voelcker Fund (cancer and other health areas)
- Beckman Foundation
- American Chemical Society
- Brain & Behavior Research Foundation
- Breast Cancer Foundation
- American Heart Association
- Robert Rauschenberg Foundation
- Bank of America Charitable Foundation
- Ford Foundation
- Bill and Melinda Gates Foundation
- American Psychiatric Association Foundations
- Simmons Foundation

Types of Actions Commonly Processed

- Grants
- Contracts
- Subcontracts

- While not common, you could have a **flow-through** arrangement where you are working with the non-profit on a proposal they are submitting to a prime funding source.

Finding Funding with Foundations and Non-Profits

- Announcements listed on organization websites.
 - Commercial entities may have non-profits associated.
 - Sign up for newsletters and listserves.
 - Some may not solicit proposals.
- General online searches (caution on .com sites)
- Candid.org (used to be Foundation Central and Guide Star)
 - Foundation Directory online (many developmental offices and libraries have)
- Grant Forward
- Donorbox.org has some free info
- Philanthropy.org

Connecting PI to Sponsor

- Access website and look for contacts/information
- Respond to a solicitation or bid
- Sign up for newsletters, listserves
- See if there are public meetings
- Look for info on prior awardees and ‘link up’
- May need development office coordination

Foundation and Non-Profits Issues and Tips

Gift vs Grant?

- Gift – no deliverables or ‘strings’
- Grant – expectation of something for the funds (an item or action given back in exchange for the funds)
- Whether or not indirect costs (facility & administrative costs) are allowed is **NOT** a consideration on whether something is considered a gift or grant.
- If the funds are a gift they may not process through sponsored research office.

Foundation and Non-Profits Issues and Tips

- Many Foundations and Non-profits either restrict idc or allow only the federal de minimis of 15%. Some don't understand what idc is. If you have an Other Sponsored Activities code these proposals may fall under it. There should be an internal approval process for restrictions to indirect costs.
- Allowing adequate time to accomplish all the paperwork (especially on bids)
- Special or unusual submission documents/signatures.
- May be hard to find information at the organization or to connect with the right person or to get a timely response to questions

Foundation and Non-Profits Issues and Tips

- Proposals submitted to Foundations and Non-profits via sponsor websites/portals, Multi-organization portal such as ProposalCentral, email, mail (recommend trackable), or hand delivery
 - Deadlines may be tied to board meeting timing,
 - Membership may be required to submit a proposal.

State Agency Sponsors

What is a state agency?

An organization that does business on behalf of or for the benefit of the people in that state. The agency or organization may be established by legislature of that state or by the US. They are non-profit organizations. They may be part of the governing body of state and local government.

Examples of State Agency Sponsors (using Oklahoma)

- Oklahoma Department of Environmental Quality
- Oklahoma Department of Health
- Oklahoma Department of Libraries
- Oklahoma Department of Rehabilitation Services
- Oklahoma Department Human Services
- Oklahoma Election Board
- Oklahoma Historical Society
- Oklahoma Military Department
- Oklahoma Tax Commission
- Oklahoma Water Resources Board
- Oklahoma Wildlife Conservation Department
- State and local government offices (City of Norman, City of OKC, Chamber offices)

Types of Actions Commonly Processed

- Grants
- Contracts
- Subcontracts
- Cooperative Agreements

- These can be direct from the state agency or **flow-through** from a federal or other sponsor.

Types of Actions Commonly Processed

Many state agencies use a bid process

- Organization may need special registration at state level to compete.
- **ITB:** "Invitation to Bid" means a type of solicitation a state agency or the State Purchasing Director sends to suppliers for submission of bids for acquisitions.
- **RFP:** "Request for Proposal" means a type of solicitation a state agency or the State Purchasing Director sends to suppliers for submission of proposals for acquisitions.
- Register for amendments or updates if possible.

Finding Funding

- [Grants.gov](https://www.Grants.gov)
- [SAM.gov](https://www.SAM.gov)
- Some states have a grant exchange website
- Look at agency websites (especially for bid announcements)
- Look for a central purchasing division or a state budget office.
- There may be information on the internet from various organizations and companies related to state funding. Some information is free, and some is for a fee (be cautious) – example [RFPMart.net](https://www.RFPMart.net).
- Look for prior/closed bid postings for insight on the agency and possibly program officers to contact.

Connecting PI to Sponsor

- Respond to a solicitation or bid
- Access website and look for program officer, grants/bid information (including prior awards)
- See if there are newsletters, listserves
- See if there are public meetings
- Look for info on prior awardees and ‘link up’

State Agencies: Tips and Issues

- Tuition- some state agencies may not allow unless the funds are federal flow-through.
- Indirect cost may be limited (Other Sponsored Activity may be appropriate); consider how/if limitation is accepted.
- Issues in identifying flow-through funds.
- Common for equipment threshold to be different than federal (for example \$500)
- Special forms, certifications, and signatures may be needed.

State Agencies: Tips and Issues

- Proposals submitted via State submission system, email, mail (recommend trackable), or hand delivery.
- Funding actions based on the fiscal year of either the state (July to June) or federal government (Oct to Sept) – this can affect when solicitations are announced and how they want to see budget periods, reporting, and award start dates.

State Agencies: Tips and Issues

- State agency budgets are dependent on the state budget and sometimes federal funding; Legislature issues can result in delays in funding of proposals or in expenditure recovery
- There are many state agencies and government related organizations that have appointed leadership, so elections can change leadership which can also impact the direction of funding and relationships you may be trying to build with an organization

Indian Nation and Foreign Nation Sponsors

What is an American Indian Nation or entity?

A federally recognized government entity of American Indian tribes and Alaska Native peoples. The U.S. government recognizes 574 American Indian tribes and Alaska Native entities. They can apply for government funding for services and programs. Many (if not all) are considered to be inherently sovereign entities recognized by treaty and law.

Note some states recognize tribes the federal government doesn't. They may not be accepted as sovereign entities but may still have special state assigned rights.

Indigenous communities in the Pacific (Native Hawaiians, people of Guam, Samoa, Mariana Islands, etc.) are classified as Pacific Indigenous Communities and are not organized into tribes or federally recognized as sovereign entities (yet).

Finding Funding

- Indian Nations may post in Grants.gov, SAM.gov, or other commercial sites including state bid sites
- Websites for their specific nation (look for announcements in bulletins)
- Contracting or purchasing division may have information.
- General website searches (Google, Bing, etc.)
- Most likely contact will be made by your PI finding a point of contact within the nation interested in the research or service.
- Some federal funding will ask for inclusion of Indian Nations or may involve Indian Nation property.

American Indian Nations: Tips and Issues

- Be respectful; don't wait until their involvement is needed for a particular proposal.
- Find out what their internal approval process is; not uncommon to flow through several offices/people and/or tribal council.
- Make sure appropriate approval signature is obtained to commit the nation – it may be current Chief, President, or a special appointment.

American Indian Nations: Tips and Issues

- Proposals commonly submitted via email, mail (recommend trackable), or hand delivery.
- Assistance may be needed if submitting to a Federal Agency (obtaining accounts, using submission/grant systems)
- They may want to restrict indirect costs (or may not understand what they are).
- If they are a subcontract or co-submitter, they may have a negotiated indirect cost rate; if not make sure they know they can use the federal de minimus.

What is a Foreign Nation?

A collection of people with its own culture, language, customs and territory. They possess a government of their own.

Finding Funding

- Foreign Nations may post in commercial sites and some non-profit funding sites (philanthropy.com; foundation.org.uk)
- General website searches (Google, Bing, etc.)
- PI may have a colleague within a foreign organization they wish to do sponsored work with.
- Some federal funding will ask for inclusion of Foreign Nations or may involve foreign countries.
- There is some ‘partner’ funding where US organizations may co-fund with Foreign organizations (ex. NSF and European Science Foundation [ESF])

State Agencies: Tips and Issues

- Proposals submitted via electronic submission systems email, or mail (recommend trackable),
- Foreign submission systems may require extra time to set up.
- Use of currency of the foreign nation in the proposal may be required (record date and location of conversion program used)
- May be limitations on indirect costs either by the foreign organization or if the submission is to a US organization they may limit idc to foreign organizations.
- Make sure correct contacts are involved in the paperwork being submitted and that the correct signature authority is involved if the foreign organization is a subcontract.

QUESTIONS?

Thank you!
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