The University of Alabama Guidelines for Classification of Sponsored Projects

As a division of the federal government, the Office of Management and Budget (OMB) requires the University to organize its sponsored expenditures into defined functional activities in accordance with 2 CFR 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The major functions include: Organized Research, Instruction and Other Sponsored Activity.

The major function is designated based on the fundamental focus of the scope of work outlined in the proposal or award documentation. The following guidelines establish definitions of each major function to ensure compliance with federal regulations, accurate reporting and appropriate application of indirect cost rates.

Organized Research

All research and development activities funded by federal, state, and non-federal agencies and private organizations as well as university research activities that are supported by non-sponsored University funds will be considered Organized Research. The following definitions and criteria will apply:

- **Basic research** – Experimental or theoretical work primarily to obtain new knowledge; intended to answer why, what or how questions and increase the understanding of fundamental principles.
- **Applied research** – Work conducted to acquire new knowledge primarily to meet a specific, recognized need or answer specific questions aimed at solving practical problems.
- **Development Research** – Systematic work that applies existing knowledge and practical experience to produce new products or processes or improve existing products or processes; may result in expanded knowledge.

Other considerations may include

- The research team interacts with human subjects or material of human origin; includes epidemiological and behavioral studies, outcomes research and health services.
- Project fosters research training and career development for pre- and post-doctoral individuals, support of theses or dissertation, or other undergraduate scholarly activities.
- The research team has an opportunity to provide significant intellectual contribution that may lead to an invention, discovery, or copyright material(s).
- Knowledge acquired may have specific commercial objectives in the form of products, procedures or services.
- Dissemination of findings or knowledge are anticipated, including, but not limited to, public access, peer-reviewed publications and presentation at scientific meetings.

Instruction

Non-research teaching activities established by a sponsored award. For example, non-research instruction where the primary purpose is training and development of University students.
Other Sponsored Activity

Other Sponsored Activities include sponsored awards for activities not otherwise classified as Organized Research or Instruction. Examples may include:

- Fee-for-service – Routine or commercial testing that typically involves repetitive, quantitative, non-experimental measurements (commonly known as fee-for-service).
- Projects to support conferences, seminars or public events that do not meet the guidelines for organized research or instruction.
- Inter-governmental Personnel Assignment (IPA) – temporary assignment of personnel between the University and Federal government.

If the scope of work describes activities that may meet the criteria of multiple functions, the determination will be made based on the preponderance of the activity. If there is a discrepancy or matter of contention in this regard, final determination will be made by the Vice President for Research and Economic Development or his/her designee.

These guidelines are effective July 1, 2020 and are subject to change at the discretion of the Office of Research and Economic Development.