**Glossary**

**Applied Research**—Systematic study to gain knowledge or understanding necessary to determine the means by which a recognized and specific need may be met (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).

**Baseline**—All funds reported to OMB as being spent on activities that fall within the federal R&D portfolio.

**Basic Research**—Systematic study directed toward greater knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications toward processes or products in mind (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).

**Budget Authority**—The authority provided by law to incur financial obligations that will result in outlays (see OMB Circular A-11 (1999), Part 20).

**Budget Function**—The classification of budget authority, outlays, and obligations according to the major purpose served by the spending. Examples of budget function categories include agriculture; national defense; transportation; and general science, space, and technology (see OMB Circular A-11, Section 20).

**Category of Performer of R&D**—Eight general categories used by the National Science Foundation to identify the group, organization, or person conducting R&D for the federal government. The categories of performers are intramural, industrial firm, university and college, other nonprofit institution, FFRDC, state or local government, foreign performers, and private individual.
Character of R&D—The stage of the study or application of knowledge. This implies a linear model of R&D in which basic research leads to applied research, which in turn leads to development (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).

Conduct of R&D—The activities that comprise research (basic and applied) and development, including their administration. Excludes R&D facilities and equipment (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).

Contract—A legal instrument reflecting a relationship between the federal government and a recipient when the principal purpose of the instrument is to acquire property or services for the direct benefit or use of the federal government (see 31 USC 6303).

Cooperative Agreement—A legal instrument reflecting a relationship between the federal government and a recipient when the principal purpose of the relationship is to transfer funds to the recipient to carry out a public purpose of support or simulation authorized by a federal law; and substantial involvement is expected between the federal government and the recipient when carrying out the activity contemplated in the agreement (see 31 USC 6305).

Development—Systematic application of knowledge toward the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).

Discipline—A field or subfield of science or engineering.

Discretionary spending—Budgetary resources provided in appropriations acts. Excludes mandatory spending (i.e., entitlements) (see OMB Circular A-11 (1999), Part 20).

Entitlements—Payments to any person or government that the federal government is obligated to make to all persons or governments who meet requirements established by law. Examples of entitlements are Social Security, Medicare, and unemployment insurance. Also referred to as mandatory spending (see OMB Circular A-11 (1999), Part 20).
EPSCoR—The Experimental Program to Stimulate Competitive Research was established at NSF to identify, develop, and utilize a state’s academic science and technology resources in a way that will support the creation of wealth and enhance the life of the state’s citizens. Specifically, EPSCoR stimulates sustainable R&D infrastructure improvements at the state and institutional levels to significantly increase the ability of EPSCoR researchers to compete for federal and private sector R&D funding, and accelerates the movement of EPSCoR researchers and institutions into the mainstream of federal and private R&D support. Only those states that historically receive less federal R&D funding and have a demonstrated commitment to develop their research bases and improve the quality of science and engineering research conducted at their universities and colleges are eligible to participate in EPSCoR. The 19 states currently in EPSCoR are Alabama, Alaska, Arkansas, Idaho, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Nebraska, Nevada, North Dakota, Oklahoma, South Carolina, South Dakota, Vermont, West Virginia, and Wyoming, as well as the Commonwealth of Puerto Rico.

Federally Funded Research and Development Center—FFRDCs are activities sponsored under a broad charter by a federal agency (or agencies) for the purpose of performing, analyzing, integrating, supporting, and/or managing basic or applied research and/or development, and that receive 70 percent or more of their financial support from the federal government. An FFRDC meets some special long-term research or development need that cannot be met as effectively by existing in-house or contractor resources. FFRDCs enable agencies to use private sector resources to accomplish tasks integral to the mission and operation of the sponsoring agency. An FFRDC, to discharge its responsibilities to the sponsoring agency, has access, beyond what is common to the normal contractual relationship, to federal government and supplier data, including sensitive and proprietary data, and to employees and facilities. The FFRDC is required to conduct its business in a manner befitting its special relationship with the federal government, to operate in the public interest, and to have full disclosure of its affairs to the sponsoring agency. It is not the federal government’s intent that an FFRDC use its privileged information or access to facilities
to compete with the private sector. However, an FFRDC may perform work for other than the sponsoring agency under the Economy Act, or other applicable legislation, when the work is not otherwise available from the private sector (see Federal Acquisition Regulation, Part 35).

**Federal R&D Enterprise**—All portions of the federal government involved in facilitating, conducting, and/or supporting federal R&D activities.

**Federal R&D Portfolio**—All things acquired with federal R&D funds. Specifically, all R&D conducted with federal funds, all equipment acquired with federal R&D funds, and all facilities constructed and/or rehabilitated with federal R&D funds.

**Field of science or engineering**—Eight broad categories used by the National Science Foundation to identify the substance of all federal R&D activities. The broad fields are life sciences, psychology, physical sciences, environmental sciences, mathematics and computer sciences, engineering, social sciences, and other sciences not elsewhere classified.

**Fiscal Year**—The federal government’s accounting period. It begins on October 1 and ends on September 30 and is designated by the calendar year in which it ends (see OMB Circular A-11 (1999), Part 20).

**Formula Grant**—A variation of a grant that transfers funds to a state or one of its sub-divisions according to a distribution formula prescribed by law or regulation to support activities of a continuing nature.

**Full-time equivalent**—FTE is a basic measure of the level of employment. FTEs are the total number of hours worked (or to be worked) divided by the number of compensable hours applicable to a fiscal year (see OMB Circular A-11 (1999), Part 20).

**Grant**—A legal instrument reflecting a relationship between the federal government and a recipient when the principal purpose of the relationship is to transfers funds to the recipient to carry out a public purpose of support or stimulation authorized by federal law; and substantial involvement is not expected between the federal government
and the recipient when carrying out the activity contemplated in the agreement (see 31 USC 6304).

**Obligation**—A binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally (see OMB Circular A-11 (1999), Part 20).

**Outlay**—A payment to liquidate an obligation (other than the repayment of debt). Outlays are the measure of federal government spending (see OMB Circular A-11 (1999), Part 20).

**R&D Equipment**—Major equipment acquired for R&D. Includes expendable or moveable equipment, for example, spectrometers and microscopes and office furniture and equipment. Routine purchases of ordinary office equipment or furniture and fixtures are normally excluded (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).

**R&D Facilities**—The construction and rehabilitation of R&D facilities. This includes the acquisition, design, and construction of, or major repairs or alterations to all physical facilities for use in R&D activities. Facilities include land, buildings, and fixed capital equipment, regardless of whether the facilities are to be used by the federal government or by a private organization, and regardless of where title to the property may rest. Includes such fixed facilities as reactors, wind tunnels, and particle reactors. Excludes movable R&D equipment (see OMB Circular A-11, Section 25 in 1998 and Section 84 in 1999).