

# Mastering Research Administration

A Complete Guide to the  
CRA<sup>®</sup>, CPRA<sup>®</sup>, and CFRA Exams

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- These multiple-choice questions and the accompanying text were originally developed in 2022 and were reviewed and updated in August 2025. Grant policies, rules, and regulations may change over time. Please consult official sources for the most current information.
- Generative artificial intelligence was used to assist with drafting some of the teaching material and answers to some of the questions. All multiple-choice questions were written by the authors.
- While it is generally considered best practice to avoid negative phrasing and answer choices such as “all of the above” or “none of the above” in standardized multiple-choice questions, these materials were created for training purposes. In some instances, we have intentionally used such formats.

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Published: March 3, 2026

# CHAPTER 16

## Contracting

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## 16.1. Introduction

Federal contracts exist primarily to procure goods and services for the direct benefit of the federal government, rather than to assist recipients for a public purpose such as grants do. For example, the federal government may issue a contract to purchase 100 fighter jets for its own use. This work must typically be done in a timely manner and as specified. This is in contrast to a grant, such as one to identify the causes of lung cancer, the deliverable of which is primarily for the benefit of society and does not necessarily need to result in finding causes.

## 16.2. Federal Acquisition Regulations (FAR)

Contracts are legal agreements that commit the named parties to mutual obligations defined within and can be issued by federal agencies, state governments, or private corporations. Of these, contracts committing the U.S. federal government or U.S. federal funding are governed by the [Federal Acquisition Regulations \(FAR\)](#). Codified in [Title 48 of the Code of Federal Regulations](#), the FAR enhances transparency, reduces cost, and improves quality. It must be consulted whenever a university or other research institute is involved in or issuing a federally funded contract or subcontract.

Jointly developed and maintained by the Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA), the FAR is divided into chapters. The first chapter – [48 CFR Chapter 1](#), the Basic FAR - outlines general details and all-encompassing regulations within its 53 parts (as of 2025). The remaining chapters are each devoted exclusively to individual funding agencies or specific elements of the U.S. federal government.

### 16.2.1. FAR Supplements

Federal agencies and offices may have their own supplements to the Basic FAR. For example, [48 CFR Chapter 2](#) is the Defense Federal Acquisition Regulation Supplement (DFARS) and contains regulations specifically for DoD-funded contracts. Administered by the Department of Defense (DoD), [DFARS](#) contains DoD legal regulations and policies, appropriate use of and alterations of FAR authorities and requirements, and other highly significant DoD policies and procedures.

[48 CFR Chapter 34](#) is the Education Acquisition Regulation (EDAR) and delineates regulations specifically for contracts under or utilizing Department of Education (DoED) funding. [EDAR](#) incorporates DoED policies, procedures, contract clauses, solicitation provisions, and forms that govern the contracting process or otherwise control the relationship between the Agency, including its sub-organizations, and contractors or prospective contractors.

Each supplement is included as a chapter of Title 48. Other agencies with their own supplemental chapter in the FAR include [Health and Human Services](#) (HHS), the [Department of Energy](#) (DoE), and [NASA](#). There are a total of 31 supplemental chapters in FAR as of 2025.

### **16.2.2. FAR Clauses**

FAR contract clauses are located in Part 52 of their respective chapters and are selected for inclusion in a contract based on its purpose, the funding agency involved, contractor type, and payment method. For example, [48 CFR § 52.227-14](#) is a standard FAR clause addressing rights in data. It represents Title 48 of the Code of Federal Regulations, Part 52, FAR Part 27, Clause number 14.

DFARS clauses start with 252. For example, [DFARS 252.204-7000](#) is the DFARS Disclosure of Information clause. HHS FAR clauses start with 352. For example, [48 CFR 352.203-70](#) is the HHS FAR clause regarding Anti-Lobbying.

## **16.3. Different Types of Contracts**

Contracts for acquiring goods and services can take many different forms. For example, to build an electronic component for fighter jets, a contract might be structured in any of the following ways:

- 1. Fixed-Price Contract:**

The federal government pays the manufacturer a fixed amount (e.g., \$100). The electronic components must be delivered within three years and must meet specified technical requirements.

2. **Cost-Plus Contract (Cost-Reimbursable):**

The federal government reimburses the manufacturer for allowable research and development costs, whatever those costs may be, plus an agreed-upon profit (fee).

3. **Indefinite-Delivery Contract:**

The federal government creates a legally binding obligation with another party for supplies and/or services with unknown variables, such as exact quantities or exact timing. A secondary tool needs to be utilized at a later point for the exact details of the transaction.

4. **Time-and-Materials Contract:**

The federal government pays for the hourly wages of personnel working on the project, plus the cost of materials, and includes an additional profit component.

5. **Basic Ordering Agreement:**

The federal government establishes basic terms, methodologies (for payment or delivery, etc.), and available descriptions between itself and another party for the purpose of establishing guidelines for future contracts.

Each of these contract types is subject to different regulatory requirements, including distinct accounting standards and audit approaches. They also allocate risk differently between the government and the contractor.

Below, these contract types are more thoroughly explained, outlining their names, requirements, and associated risks. The definitions of these contract types are drawn from [Part 16 of the Federal Acquisition Regulation \(FAR\)](#).

### **16.3.1. Fixed-Price Contracts**

[A fixed price](#) contract provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively, and imposes a minimum administrative burden upon the contracting parties.

[Firm fixed price \(FFP\)](#) contracts are not paid based on reimbursement of actual expenses; payment is tied to price, milestones, or deliverables. [Firm fixed price](#) is best used when goals are measurable, costs can be reasonably estimated, and reduced administrative

burden is desired. Fixed price contracts may not be used when mandatory cost sharing is required, since costs are not tracked in the same way as cost reimbursable agreements.

### **16.3.2. Cost-Reimbursement Contracts**

[Cost-reimbursement](#) contracts provide for payment of allowable incurred costs to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the contracting officer (CO).

Universities most often encounter cost-reimbursable contracts, which are closest in nature to grants because they reimburse allowable, allocable, and reasonable costs. Compared to fixed price contracts, cost reimbursement contracts are less risky but more cumbersome to manage, because payment is tied to actual expenditures that must be accurately tracked and accounted for. Cost overruns are the responsibility of the recipient, both under fixed price contracts and cost reimbursable contracts. However, cost reimbursable contracts can allow for additional funds, above the initial ceiling, as long as the funding agency agrees to it.

### **16.3.3. Indefinite-Delivery Contracts**

The appropriate type of [indefinite-delivery contract](#) may be used to acquire supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award.

- [Definite-quantity contracts](#) provide for delivery of a definite quantity of specific supplies or services for a fixed period, with deliveries or performance to be scheduled at designated locations upon order.
- [Requirements contracts](#) provide for filling all actual purchase requirements of designated government activities for supplies or services during a specified contract period (from one contractor), with deliveries or performance to be scheduled by placing orders with the contractor.
- [Indefinite-quantity contracts](#) provide for an indefinite quantity, within stated limits, of supplies or services during a fixed period. The Government places orders for individual requirements. Quantity limits may be stated as number of units or as dollar values.

- [Indefinite-delivery, indefinite-quantity \(IDIQ\) contracts](#) provide for both an indefinite quantity and an indefinite time of delivery for goods and/or services, acting as an umbrella contract of terms, conditions, clauses, and regulations, and requiring accompanying documentation to define individual order requirements, such as quantity and deadline(s).

### **16.3.4. Time-and-Materials, Labor-Hour, and Letter Contracts**

[Time-and-materials](#) contracts provide for acquiring supplies or services on the basis of direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, profit, and the actual cost of materials. [Labor-hour](#) contracts are a variation on time-and-materials contracts, differing only in that materials are not supplied by the contractor. [Letter](#) contracts, in contrast, are a preliminary contractual instrument that authorizes the contractor to begin immediately manufacturing supplies or performing services.

Time-and-materials contracts are generally unsuitable for universities because they rely on tracking hours rather than certifying percent of effort; universities generally report percentage of effort, rather than time. However, time-and-material contracts are often used in university-affiliated research centers (UARCs).

### **16.3.5. Basic Ordering Agreements**

A [basic ordering agreement](#) is a written instrument of understanding, negotiated between an agency, contracting activity, or contracting office and a contractor, that contains: terms and clauses applying to future contracts (orders) between the parties during its term; a description, as specific as practicable, of supplies or services to be provided; and method(s) for pricing, issuing, and delivering future orders under the basic ordering agreement. A basic ordering agreement is not a contract, but it may act as an umbrella for terms and conditions for future contracts.

## **16.4. Contracting Authority**

The federal government typically prepares [Standard Form 33 \(SF 33\)](#), *Solicitation, Offer and Award*, for contracts at the time of issuing solicitations for supplies or services, particularly for sealed bids or negotiated contracts, and to subsequently award those contracts.

For many contracts, there is a **Contracting Officer (CO)** and a **Contracting Officer's Technical Representative (COTR), now commonly referred to as a Contracting Officer's Representative (COR)**. The CO is the person who negotiates the contract. The COTR/COR is usually a person who is familiar with the technology (e.g., a scientist) who supervises the scientific elements.

In the United States federal government, only [Contracting Officers \(COs\)](#) are authorized to enter, administer, or terminate contracts on behalf of the government. These individuals are specifically appointed in writing via a document called a "Certificate of Appointment" (or "warrant"), which outlines the specific limits of their authority.

A Contracting Officer's Technical Representative (COTR) or Contracting Officer's Representative (COR) is strictly prohibited from altering the terms and conditions of a contract. A COTR/COR's authority is limited to technical oversight and administrative support. They serve as the "eyes and ears" of the Contracting Officer (CO) but lack the legal authority to bind the government to new financial or contractual obligations. A Contracting Officer's Representative (COR or COTR) assists with the technical monitoring and day-to-day administration of a contract, such as overseeing performance, reviewing deliverables, and verifying invoices. However, the COR/COTR has no authority to legally bind the government; only the CO may enter, modify, or terminate contracts and make decisions that affect scope, price, or terms.

## 16.5. Summary

Unlike grants, which support public purposes, federal contracts are procurement instruments used when the government is acquiring specific supplies or services for its own use. All federal contracts are governed by standardized FAR clauses that define rights, responsibilities, and remedies for both the government and contractors. The Federal Acquisition Regulation (FAR) is the primary body of rules governing how the U.S. federal government acquires goods and services through contracts. It applies to procurement activities conducted by civilian agencies, the Department of Defense, NASA, and other federal entities.

[FAR Part 16](#) establishes the principal types of contracts, each designed to balance cost control, performance incentives, and risk allocation. [Fixed-price contracts](#) provide a firm or

adjustable price and place the majority of cost risk on the contractor, making them appropriate when requirements are well defined. [Cost-reimbursement contracts](#) allow contractors to recover allowable incurred costs up to an approved ceiling and are used when technical or cost uncertainty makes fixed pricing impractical.

The FAR also provides for [indefinite-delivery contracts](#) when future delivery quantities or timing cannot be precisely determined at the time of award. [Time-and-materials](#) and [labor-hour](#) contracts compensate contractors based on labor hours worked and, when applicable, material costs; due to the higher financial risk to the government, the use of time-and-materials and labor-hours contracts is limited and closely controlled. [Letter contracts](#) permit contractors to begin work immediately before all terms are finalized, typically in urgent or time-sensitive situations.

In addition to contract types, the FAR addresses rights in data and intellectual property, which are particularly important for universities and other academic institutions performing fundamental research. FAR clauses such as [52.227-14](#) allow institutions to negotiate data rights and assert copyright, especially under Alternate IV, which is tailored for educational institutions conducting basic or applied research. Educational institutions, including universities, are permitted to negotiate these terms, and the appropriate time to do so is before contract acceptance to ensure alignment with institutional policies and academic dissemination goals.

Finally, [FAR Part 49](#) governs contract termination and establishes the government's authority to end contracts under two primary mechanisms. Termination for convenience allows the government to unilaterally terminate a contract when it is in the government's best interest, even without contractor fault. Termination for default applies when a contractor fails to perform or comply with contract requirements. Together, these provisions ensure that the government retains flexibility while maintaining accountability in federal procurement.

Overall, the FAR provides a comprehensive framework that standardizes federal contracting, defines allowable contract structures, governs data rights, and establishes enforcement mechanisms, enabling the government to procure goods and services efficiently while managing risk and ensuring compliance.

## 16.6. Practice Questions

1. The basic purpose of a federally funded contract is to:
  - a. Assist the university for conducting research
  - b. Assist the university for a public purpose
  - c. Procure goods and services for the benefit of the government
  - d. Ensure that the government and the university work closely together
  
2. Contracts may be issued by the:
  - a. Federal government
  - b. State government
  - c. Corporations
  - d. All of the above
  
3. Federal contracts are often ruled by:
  - a. Federal Acquisition Regulations
  - b. Uniform Guidance
  - c. 2 CFR 200
  - d. International Treaties and Regulations
  
4. Which of the following is NOT involved in the development of FAR:
  - a. Department of Defense (DoD)
  - b. General Services Administration (GSA)
  - c. National Aeronautics and Space Administration (NASA)
  - d. Department of Health and Human Services (DHHS)
  
5. DFARS stands for:
  - a. Departmental federal acquisitions regulations and standards
  - b. Departmental federal acquisition regulation supplements
  - c. Defense federal acquisition regulation supplement
  - d. Defense federal acquisition regulation standards

6. Which of the following is an abbreviation for Department of Education's supplement to FAR?

- a. NFS
- b. DFARS
- c. EDAR
- d. EDGAR

7. FAR is used to:

- a. Enhance transparency
- b. Reduce cost
- c. Improve quality
- d. All of the above

8. FAR should be consulted when:

- a. Receiving a contract as a prime
- b. Receiving a subcontract
- c. Issuing a subcontract
- d. All of the above

9. FAR clauses may be chosen based on:

- a. Purpose of the contract (e.g., procuring a service vs. procuring a good)
- b. Type of the contractor (e.g., for-profit vs. non-profit organization)
- c. Payment method (e.g., fixed-price vs. cost reimbursement)
- d. All of the above

10. FAR is in Title \_\_\_\_\_ of the code of federal regulations

- a. 2
- b. 26
- c. 48
- d. 52

11. 48 CFR, Chapter 1, is:

- a. Basic FAR
- b. DFAR
- c. NFS
- d. EDAR

12. 48 CFR, Chapter 2, is:

- a. Basic FAR
- b. DFAR
- c. NFS
- d. EDAR

13. 52.227-14 is a clause included in:

- a. FAR
- b. DFAR
- c. EDAR
- d. NFS

14. 252.204-7000 is clause included in:

- a. FAR
- b. DFAR
- c. EDAR
- d. NFS

15. Basic FAR has \_\_\_\_\_ parts.

- a. 10
- b. 37
- c. 53
- d. 62

16. 52.227-14 is Part \_\_\_ of FAR.

- a. 52

- b. 27
  - c. 227
  - d. 14
17. Which type of contracting agreement is closest to grants?
- a. Cost reimbursable
  - b. Fixed price
  - c. Time and material
  - d. Indefinite Delivery, Indefinite Quantity (IDIQ)
18. From the perspective of the recipient organizations, compared to cost reimbursable contracts, fixed price contracts are \_\_\_\_\_ and/or \_\_\_\_\_ to manage after receiving the contract.
- a. Riskier, more cumbersome
  - b. Riskier, less cumbersome
  - c. Less risky, more cumbersome
  - d. Less risky, less cumbersome
19. Cost overruns are the responsibility of the recipient institution on:
- a. Cost reimbursable contracts and fixed price contracts
  - b. Cost reimbursement contracts but not fixed price contracts
  - c. Fixed price contracts but not cost reimbursable contracts
  - d. Neither fixed price, nor cost reimbursable contracts
20. Universities typically do not track hours; rather, they certify percent of effort. This makes which one of the following mechanisms unsuitable for universities?
- a. Cost reimbursable
  - b. Fixed price
  - c. Time and material
  - d. Indefinite-delivery

21. Cost-plus-incentive-fee contracts are a type of \_\_\_\_\_ contracts and total payment \_\_\_\_\_.
- a. Fixed price, is fixed before the contract is issued.
  - b. Fixed price, is fixed but includes a bonus for the contractor.
  - c. Cost reimbursable, depends on the expenses but always includes a bonus.
  - d. Cost reimbursable, depends on the expenses but may include a bonus.
22. Fixed price contracts \_\_\_\_\_ need to report expenditures to the sponsor and \_\_\_\_\_ require deobligation of the remaining funds at the close out of the project.
- a. Do, Do
  - b. Do, Do not
  - c. Do not, Do
  - d. Do not, Do not
23. Unexpended funds on a federal fixed price contract will \_\_\_\_\_ returned and may be used as \_\_\_\_\_.
- a. Be, future credit
  - b. Be, additional government
  - c. Not be, restricted
  - d. Not be, unrestricted
24. A “firm fixed price” contract allows for:
- a. Adjusting the price based on inflation
  - b. Providing an incentive based on good or fast performance
  - c. Reimbursement of the contractor based on expenses
  - d. None of the above
25. Fixed price contracts may be paid for using all of the following EXCEPT:
- a. A one-time payment
  - b. Several payments based on achieving milestones
  - c. Regular payments, based on units (e.g., months)
  - d. Reimbursement, based on actual expenses

26. Fixed price contracts are most appropriate when:

- a. There are measurable goals and objectives.
- b. There are enough data to make a good judgement about the appropriate cost.
- c. One wants to reduce the burden of book-keeping and audit. ‘
- d. All of the above.

27. Fixed price contract may NOT be used when:

- a. There is mandatory cost sharing.
- b. There are clear objectives.
- c. The recipient is a for-profit organization.
- d. The PI does not have a previous record of good conduct with such contracts.

28. Fixed price contracts need prior approval for:

- a. Moving 30% supplies funds to travel.
- b. Changing the PI.
- c. Keeping the unexpended funds.
- d. All of the above.

29. Which of the following does NOT need prior approval for fixed price contracts?

- a. Changing the PI
- b. Changing scope or objectives
- c. Completing the project 20% faster than anticipated
- d. Changing partners and subawardees

30. In which of the following may the nature of work be unclear when the contract is signed?

- a. Firm, fixed price contracts
- b. Cost reimbursable contracts with incentive
- c. Fixed price contracts with economic price adjustment
- d. IDIQ

31. Which of the following refers to a type of binding contract when the government urgently needs the work to begin, while negotiations continue?
- Letter
  - Firm, fixed price contract
  - Fixed price contract with incentive
  - Cooperative agreement
32. Certain subparts of Uniform Guidance apply to cost reimbursable federal contracts. When there is a conflict, FAR prevails.
- True, True
  - True, False
  - False, True
  - False, False
33. The subparts of Uniform Guidance that may apply by reference to cost reimbursable contracts are parts:
- A, B
  - B, C
  - C, D
  - E, F
34. When cost accounting standards (CAS) apply to a cost reimbursable contract and subpart F of Uniform Guidance is also referenced:
- Subpart F takes precedence.
  - CAS takes precedence.
  - They are equally valid, and an OMB officer will make the final judgment.
  - The contract has to be rewritten.
35. The federal government typically prepares Standard Form 33 (SF 33) for contracts at the time of:
- Pre-proposal
  - Solicitation (RFP or RFQ)
  - Contract negotiation

- d. Contract closeout
36. Who is authorized to legally bind the government in issuing contracts?
- a. Contracting Officer (CO)
  - b. Contracting Officer's Technical Representative (COTR)
  - c. Program Officer (PO)
  - d. All of the above
37. Which of the following is NOT within the domain of duties and authority of a COTR?
- a. Legally binding the government
  - b. Monitoring the progress of the project
  - c. Reviewing and approving deliverables
  - d. Reviewing and approving invoices
38. Contracts may restrict:
- a. Publications
  - b. Hiring firing individuals in the project
  - c. Title to intellectual property
  - d. All of the above
39. "FAR 52.227-17, Special Works" stipulates that all data and deliverables belong to the federal government and prevents the publication of the data and results obtained as a result of the contract. This clause:
- a. Is included in all federal contracts.
  - b. Is never included in federal contracts, a result of Bayh-Dole Act.
  - c. Is applicable to small number of federal contracts.
  - d. Can never be contested.
40. A federal contract has included the clause "FAR 52.227-14, Rights in Data" in their contact terms with a university. This clause stipulates that prior approval from the federal government is required for copyright claims. The university contracting officer may want to challenge this clause, replacing it with "FAR 27.409(e)" because

this is fundamental research, to allow the university to claim copyright. Which one is correct?

- a. Universities are not allowed to enter such negotiations.
- b. Universities may do such negotiation, and the best time is before the contract is accepted.
- c. Universities may do such negotiation, and the best time is after the data are generated.
- d. Including such a clause is illegal.

41. DFARS clause 252.204-7000 in a DoD contract prevents the contractor from releasing unclassified information without advance approval from the contracting officer (CO). Acceptance of this clause by the university means that the information produced through this award:

- a. May not be used for the dissertation of a graduate student, unless permission is granted by the CO.
- b. May not be presented in conferences.
- c. May not be used as data presented in future grant application.
- d. All of the above

42. "FAR 52.204-21, Basic Safeguarding of Covered Contractor Information Systems," stipulates that government contract information stored in non-governmental systems must meet 15 requirements. This FAR clause applies to \_\_\_\_\_ data obtained from \_\_\_\_\_ contracts.

- a. Unclassified and classified, DoD
- b. Unclassified and classified, all government
- c. Classified only, DoD
- d. Classified only, all government

43. Federal contracts:

- a. May not be terminated.
- b. May be terminated for default only.
- c. May be terminated for default or convenience.
- d. May be terminated only if they are cost-reimbursable.

44. The federal government fiscal year ends on:

- a. June 30
- b. September 30
- c. November 30
- d. December 31

## 16.7. Answers to Practice Questions

1. C The primary purpose of a federally funded contract is procurement, meaning the federal government is acquiring specific goods or services for its own direct use or benefit, rather than providing financial assistance to support the recipient's research or public mission.
2. D Contracts may be issued by federal and state governments as well as private corporations, since a contract is simply a legally binding agreement for goods or services, regardless of the issuing entity.
3. A Federal contracts are primarily governed by the [Federal Acquisition Regulation](#) (FAR), which establishes uniform policies and procedures for acquisition by and on behalf of federal agencies.
4. D [FAR](#) is jointly developed and maintained by the Department of Defense, General Services Administration, and NASA; DHHS uses FAR but does not develop it.
5. B The [Defense Federal Acquisition Regulation Supplement \(DFARS\)](#) is the supplement to the Federal Acquisition Regulation (FAR) that is administered by the Department of Defense (DoD). DFARS contains DoD-related legal regulations, procedures, and policies, as well as DoD-related appropriate use of and alterations of the FAR. DFARS is significant to the public's interests and should be read in conjunction with the Basic FAR.
6. C [EDAR](#) is the Department of Education (DoED)'s acquisition regulation supplement and implements or supplements the FAR for DoED projects. EDAR includes supplemental guidance, regulations, policies, and procedures for DoED projects, including contractual clauses, solicitation provisions, and forms that govern the contracting process or otherwise control the relationship between the Agency, including its sub-organizations, and contractors or prospective contractors.
7. D [FAR](#) is designed to enhance transparency, reduce costs, and improve quality across federal procurements.

8. D [FAR](#) applies when receiving contracts as a prime, receiving subcontracts, or issuing subcontracts, since all parties must comply with applicable acquisition rules.
9. D [FAR](#) clauses are selected based on the contract's purpose, the type of contractor, and the payment method, as each factor affects risk and compliance needs.
10. C The [Federal Acquisition Regulations System](#) is Title 48 of the Code of Federal Regulations (CFR). The [Basic Federal Acquisition Regulation \(FAR\)](#) is issued as Chapter 1 of Title 48 of CFR. Subsequent chapters are reserved for agency acquisition regulations that implement or supplement the FAR (see [subpart 1.3](#)). CFR Staff will assign chapter numbers to requesting agencies.
11. A [48 CFR Chapter 1](#) contains the Basic FAR, which applies government wide.
12. B [48 CFR Chapter 2](#) contains DFARS, which applies specifically to Department of Defense contracts.
13. A [52.227-14](#) is a standard FAR clause addressing rights in data. Clauses that start with 52 belong to FAR. Part 52 = the standardized clauses you insert into contracts. The number 227 refers to FAR Part 27, which is titled "Patents, Data, and Copyrights." The extra "2" in front (making 227 instead of 27) signals that it is a clause located in Part 52 that implements Part 27 policy. The final number (14) is simply the sequential clause number within that subject area. 52.227-14 = "Rights in Data – General."
14. B "[252.204-7000](#), Disclosure of Information" clause is included in DFARS. Clauses that start with 252 belong to DFARS.
15. C The Basic FAR is organized into 53 parts, covering all stages of federal acquisition.
16. A The clause [52.227-14](#) is a clause included in Part 52 of the FAR. It covers material relevant to FAR Part 27, which is related to patents, data, and copyrights.
17. A [Cost reimbursable contracts](#) are closest to grants because they reimburse allowable actual costs rather than paying a fixed amount for deliverables.

18. B [Fixed price contracts](#) are riskier for the recipient because costs are capped. The recipient is responsible for completing the contract, even if the funds are inadequate. However, fixed price contracts are less cumbersome to manage after being awarded since detailed cost reporting is not required.
19. A Cost overruns are the responsibility of the recipient both under fixed price contracts and cost reimbursable contracts. However, cost reimbursable contracts can allow for additional funds, above the initial ceiling, as long as the funding agency agrees to it.
20. C [Time and material contracts](#) require tracking actual hours worked, which conflicts with universities' practice of certifying percent of effort.
21. D [Cost-plus-incentive-fee contracts](#) are cost reimbursable, with total payment depending on actual costs and potentially including an incentive bonus, depending on how well or how fast the work is done, per the contract's guidelines.
22. D [Fixed price contracts](#) generally do not require reporting expenditures to the sponsor and do not require deobligation of remaining funds at closeout. For fixed price contracts, the recipient receives a fixed amount. If they complete the task with small amounts of funds, they can retain the remaining.
23. D Unexpended funds on a federal fixed price contract are not returned and may be treated as unrestricted funds by the recipient.
24. D [Firm fixed price](#) contracts provide for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties.
25. D [Firm fixed price](#) contracts are not paid based on reimbursement of actual expenses; payment is tied to price, milestones, or deliverables.
26. D [Firm fixed price](#) contracts are best used when goals are measurable, costs can be reasonably estimated, and reduced administrative burden is desired.

27. A [Fixed price contracts](#) may not be used when mandatory cost sharing is required, since costs are not tracked in the same way as cost reimbursable agreements.
28. B Changing the principal investigator typically requires prior approval under fixed price contracts due to its impact on performance and responsibility.
29. C Completing the project faster than anticipated does not require prior approval, as long as scope and deliverables remain unchanged.
30. D For [Indefinite Delivery, Indefinite Quantity \(IDIQ\) contracts](#) the exact nature and quantity of work may be unclear at award and are defined later through task orders.
31. A A [Letter contract](#) allows work to begin immediately while final contract terms are still being negotiated. A Letter contract is a preliminary contractual instrument that allows the government to immediately bind a contractor and begin work. It is used specifically when the government's interest requires an immediate start, and there is insufficient time to negotiate a definitive contract. These are classified under [Un definitized Contract Actions](#) (UCAs), which provide a binding commitment while negotiations for final terms, specifications, and pricing continue. [Firm-Fixed-Price \(FFP\) Contracts](#): These require all terms and prices to be finalized (definitized) before the work begins, making them unsuitable for urgent needs where negotiations are still ongoing. [Cost-Reimbursement Contracts](#): While these allow for flexibility in costs, they are definitive contracts that still require a completed negotiation of the scope and fee structure before initiation. [Incentive Contracts](#): These are used to motivate contractor performance through profit adjustments but are not designed as temporary bridge contracts for immediate work starts.
32. A When a non-Federal entity (such as a nonprofit organization or educational institution) is awarded a cost-reimbursement contract under the Federal Acquisition Regulation (FAR), certain subparts of the Uniform Guidance ([2 CFR 200](#)) apply. These specifically include Subpart D ([§§ 200.331](#) through [200.333](#)), [Subpart E](#) (Cost Principles), and [Subpart F](#) (Audit Requirements). In cases of conflict between the Uniform Guidance and the terms and conditions of a FAR-based contract, the FAR

and the contract terms prevail. The applicable portions of the Uniform Guidance act as supplements to the FAR and the contract terms rather than replacing them.

33. D When a non-Federal entity is awarded a [Cost-Reimbursement contract](#) under the [FAR](#) (Federal Acquisition Regulation), the subparts of Uniform Guidance ([2 CFR 200](#)) that may apply by reference are: Subpart D ([§§ 200.331](#) through [200.333](#) - Technical/Administrative requirements, including access to records) [Subpart E](#) (Cost Principles), and [Subpart F](#) (Audit Requirements)
34. B When [Cost Accounting Standards \(CAS\)](#) apply to a [Cost-Reimbursable contract](#) and [Subpart F](#) of Uniform Guidance (2 CFR Part 200 Subpart F) is also referenced, the CAS requirements take precedence over Uniform Guidance regarding the cost accounting practices (measurement, assignment, and allocation of costs).
35. B The Government typically prepares a [Standard Form 33 \(SF 33\)](#), *Solicitation, Offer and Award*, for contracts at the time of issuing solicitations for supplies or services, particularly for sealed bids or negotiated contracts, and to subsequently award those contracts.
36. A In the United States federal government, only [Contracting Officers \(COs\)](#) are authorized to enter, administer, or terminate contracts on behalf of the government. These individuals are specifically appointed in writing via a document called a "Certificate of Appointment" (or "warrant"), which outlines the specific limits of their authority.
37. A In federal contracting, a Contracting Officer's Technical Representative (COTR), now commonly referred to as a [Contracting Officer's Representative \(COR\)](#), is strictly prohibited from altering the terms and conditions of a contract. A COTR/COR's authority is limited to technical oversight and administrative support. They serve as the "eyes and ears" of the [Contracting Officer \(CO\)](#) but lack the legal authority to bind the government to new financial or contractual obligations. Only the Contracting Officer (CO) has the formal authority to modify the legal agreement between the government and the contractor. A Contracting Officer's Representative (COR or COTR) is a technical expert designated by the Contracting Officer (CO) to assist with the technical monitoring and day-to-day administration of a contract,

such as overseeing performance, reviewing deliverables, and verifying invoices. However, the COR/COTR has no authority to legally bind the government; only the CO may enter, modify, or terminate contracts and make decisions that affect scope, price, or terms. If a COR/COTR improperly directs a contractor in a way that changes the contract or commits government funds, it constitutes an unauthorized commitment, which may require formal ratification by the government and can expose the individual to administrative or personal consequences.

38. D Contracts, especially in business, research, and employment settings, often include restrictive covenants designed to protect the interests of the parties involved. These may limit publications through non-disclosure agreements or pre-publication review requirements to prevent the release of confidential information or premature disclosure that could undermine patent rights. Contracts may also regulate hiring and firing by specifying who may be assigned to a project and the conditions under which personnel changes can occur. In addition, contracts frequently address title to intellectual property, using provisions such as work-made-for-hire or mandatory IP assignment to determine whether inventions, data, or written works created during the project belong to the individual, the institution, or the sponsoring entity.

39. C [FAR 52.227-17, "Rights in Data—Special Works,"](#) is a restrictive clause used only in specific circumstances where the Government has a "special need" to limit the distribution of data or exercise complete control over its content. It is not a standard clause for all contracts; instead, it is prescribed for work such as agency histories, audiovisual works, or instructional materials where the government requires the right to prevent the contractor from publishing or releasing the results without prior permission. [FAR 52.227-14](#) ("Rights in Data—General"), not 52.227-17, is the standard data rights clause used in most federal contracts. FAR 52.227-17 is used far less frequently. [The Bayh-Dole Act](#) primarily addresses patent rights arising from federally funded inventions, not copyright or data rights. FAR 52.227-17 remains a valid and active clause when the criteria for special works are met. FAR 52.227-17 can be negotiated or challenged during contract formation if the work does not meet the definition of "special works" under [FAR 27.405-1](#).

40. B Under the FAR universities are permitted to negotiate contract terms related to rights in data, especially when the work qualifies as fundamental research. Such negotiations are common for academic institutions seeking to preserve academic freedom and the ability to publish and disseminate research results. The appropriate and most effective time to negotiate these terms is before the contract is signed or accepted, since contract clauses become binding upon execution. In practice, universities may request modifications to [FAR 52.227-14](#), such as using Alternate IV, which is specifically intended for contracts with educational institutions that are performing basic or applied research and allows the educational institution to assert copyright in data first produced under the contract. Including FAR 52.227-14 is not illegal, and negotiation is expressly allowed, which is why options suggesting otherwise are incorrect.
41. D Acceptance of [DFARS 252.204-7000](#) restricts release and use of information for dissertations, conferences, and future proposals without approval. **This is an important example of why contracts must be reviewed carefully before signing.**
42. B [FAR 52.204-21](#), "Basic Safeguarding of Covered Contractor Information Systems" applies to unclassified Federal Contract Information (FCI) residing on or transiting through contractor information systems. This clause is a mandatory requirement for all government contracts – not just Department of Defense (DoD) contracts – that involve FCI. Federal Contract Information (FCI) is defined as non-public, unclassified information provided by or generated for the government under a contract. The clause focuses on securing contractor systems that handle this sensitive but unclassified information.
43. C [FAR Part 49](#) provides the federal government with broad authority to terminate contracts under two main circumstances. First, a termination for convenience allows the government to unilaterally end a contract, in whole or in part, when continuing the contract is no longer in the government's best interest, even if the contractor has done nothing wrong. Second, a termination for default applies when the contractor fails to perform according to the contract's terms, such as missing delivery deadlines or failing to meet performance requirements, allowing the government to end the contract due to noncompliance.

44. B The fiscal year for the U.S. federal government begins on October 1 and ends on September 30 of the following calendar year. This schedule was established by [the Congressional Budget and Impoundment Control Act of 1974](#).