



## Bid Decisions on Firm-Fixed Price Contracts Policy

Effective Date: October 4, 2002

Approval: January 8, 2015;  
University President

Maintenance of Policy: Director,  
Contacts and Grants

**PURPOSE:** The purpose of this policy is to invoke careful analysis and review of Firm-Fixed Price (FFP) opportunities to ensure that the benefits versus risks are favorable for University of Dayton. Because the potential financial risk to the University increases with increasing FFP contract, task, or delivery order dollar amount, the FFP analysis and review requirements are tiered according to dollar value (risk).

**SCOPE:** This policy is applicable to its college, schools, departments, and Research Institute for bidding on Firm-Fixed Price Contracts when seeking sponsorship.

**POLICY:** The Bid Decisions on Firm-Fixed Price Contracts Policy establishes a framework for the University of Dayton, and the University of Dayton Research Institute, to sensibly approach firm-fixed price (FFP) business opportunities. The goals are to reduce major financial risk associated with FFP contracting, enhance the chances of successful performance for the Research Institute and its teaming partners on FFP efforts, and maximize Research Institute customers' satisfaction in the performance of these programs.

### **RESPONSIBILITY FOR ENFORCEMENT, REMEDIES, SANCTIONS**

#### PRINCIPAL INVESTIGATORS

Principal Investigators (PI) seeking to submit FFP bids must review the policy and complete all steps required, including consulting with the Office of Contracts and Grants to determine if the cumulative annual FFP obligations are within limits established by the policy. Once this has been accomplished, the PI must complete the steps outlined in the procedure for seeking approval to submit FFP bids.

#### DEPARTMENT CHAIR/UDRI DIVISION HEAD

The Department chair/UDRI Division Head must seek the necessary approval on behalf of the PI.

### REFERENCE DOCUMENTS:

1. Procedure for Implementing University of Dayton Bid Decisions on Firm-Fixed Price Contracts Policy

### POLICY HISTORY:

Originally issued: October 4, 2002, "Policy for Bid Decision on Firm Fixed Price Contracts;"

Revised: April 2003, RI-SR-002 Policy for Bid Decision on Firm Fixed Price Contracts;

Re-formatted: August 2006;

Revised: September 2011;

Revised: January 8, 2015

## Bid Decisions on Firm-Fixed Price Contracts Policy, (continued)

POLICY (continued):

DIRECTOR, RESEARCH INSTITUTE, VICE PRESIDENT FOR RESEARCH & EXECUTIVE DIRECTOR, RESEARCH INSTITUTE, AND VICE PRESIDENT FOR FINANCE & ADMINISTRATIVE SERVICES

The Director, Research Institute, Vice President for Research & Executive Director, Research Institute, and Vice President for Finance & Administrative Services must approve the FFP bid, as outlined in the procedure for approving FFP bids.

BOARD OF TRUSTEES FINANCE COMMITTEE

If the bid exceeds the amount specified in the procedure for seeking approval to submit FFP bids, the Board of Trustees Finance Committee must review and concur with submission of the bid.

DIRECTOR, OFFICE OF CONTRACTS AND GRANTS

The Director, Office of Contracts and Grants, is responsible for ensuring compliance with policy by verifying that all requirements of the policy have been followed before a bid can be submitted for an FFP program.

**APPEAL PROCESS**

Exceptions to the cumulative/annual limits must be approved by the Director, Research Institute, the Vice President for Research and the Vice President for Finance & Administrative Services.