The Tar Heel Certificate Program in Research Administration
Level 1 Certification
Proposal Preparation and Submission
Today’s Agenda

• Steps in Proposal Preparation
• Steps in Proposal Submission
• Negotiating Terms and Conditions
Life Cycle of an Award

- Identify Funding
- Negotiate Award
- Close-out Award
- Set Up Award
- Generate Payment Requests
- Perform Work
- Monitor Project & Manage Funds
- Prepare Proposal & Submit Proposal
Deliver a proposal that has the greatest chance of being funded

- High quality
- Appropriately costed
- Fully compliant
- On-time
Steps in Proposal Preparation

- Types of Proposals
- Standard Proposal Package
- Budgeting Essentials
- OSR Tool Kit
Types of Proposals

Proposal - a set of documents containing a descriptive narrative of an idea and a budget to be submitted to a potential funding agency as a formal request for sponsored support

• Letter of Intent
• Preliminary (white paper)/Pre-Proposal
• New (solicited or unsolicited)
• Resubmission
• Limited Submission
• Non-Competing Continuation/Progress Report
• Amendment/Supplement
• Renewal/Competing Continuation
Letter of Intent

Purpose

• Allows sponsor to estimate the review workload and selection of potential reviewers in order to
• Identify potential COI in the selection of qualified reviewers

• May or may not be required by sponsor
• Title of proposed research (1 page abstract)
• Name, address, telephone number of PI and other key personnel
• Participating institutions
• Number and title of announcement
New

- Submit for funding for the first time to a given agency
- Competitively reviewed
- Often proposes a multi-year project period
- Can be solicited or unsolicited
Solicited

- Funding agency’s formal documented request for outside assistance to conduct research, training, or community service
- Agencies request proposals through announcements
  - Request for Proposals (RFP)
  - Request for Applications (RFA)
  - Program Announcement (PA)
  - Broad Agency Announcement (BAA)

Unsolicited

- Proposer conceptualizes research project/program idea based on an identified need or lack of knowledge
- Appropriate funding source approached based on that funding agency’s interests, published priorities, and/or granting guidelines
Resubmission

- Usually at request of sponsor based on reviewer’s comments
- Replacement for earlier unfunded new or renewal proposal
- Usually treated the same as a new or as a renewal proposal
- Not to be confused with revised request
Limited Submission

• Awards and grants for which the University may submit a limited number of nominations
• At UNC-CH administered through the Office of Research Development
Non-Competing Continuation / Progress Report

- Second or subsequent year of funding within a previously approved project period
- Usually involves a limited proposal (e.g., progress report and budget)
- Not competitively reviewed
Amendment/Supplement

- Request for additional support not contemplated in the original proposal, but to be added to the existing budget period of an award
- Often requires a simple letter request or statement of work and a budget for the funds requested
Renewal/ Competing Continuation

- Request to continue support for an existing project beyond its originally scheduled project period
- Typically requests a subsequent project period be established
- Usually competitively reviewed
- May be awarded as a new grant or as an amendment to an existing grant
Standard Proposal Package

- Cover Page
- Table of Contents
- Abstract
- Project Description
- Budget
- Biosketches (CV)
- References
- Facilities
- Current and Pending Support
- Appendices
- Certifications
Assembling the Proposal Package

• Abide by the PROPOSAL COMMANDMENTS as well as OMB Circular A-21 Cost Principles and University policies
• Develop scope of work
• Determine necessary resources
• Identify key personnel
• Prepare budget and justification
• Complete agency forms
Thou Shalt:
1. OBTAIN the MOST RECENT Proposal Guidelines
2. READ thy Proposal Guidelines
3. FOLLOW thy Proposal Guidelines
4. NOT assume that electronic submission means thou hast more time
5. NOT request an F&A waiver
Budgeting Essentials

- The scope of work and budget should mirror each other - determine the specific purpose of the award and the technical goals expected rather than the need for certain items
- Prepare a detailed budget justification that describes the purpose for each direct cost identified in the budget
- Cost Accounting Standards Exemption Request (CAS Exemption) - prior approval is required by OSR/OCT/SPO to request direct cost items that are customarily treated as F&A costs (clerical and administrative salaries, memberships, postage, subscriptions, telephone (local) charges, and office supplies); the request must explicitly describe and appropriately support a specific relationship to the research being performed
Typical Budget Categories

**Personnel**
- Salaries/Wages/Fringe Benefits

**Non-Personnel**
- Equipment
- Travel
- Subcontracts
- Consultants
- Other Direct Costs

**Indirect Costs**
- Facilities & Admin. (F&A)

**Cost Sharing**
- Cash
- In-Kind
Additional Budget Categories

- Patient Care Costs
- Stipends
- Alteration & Renovation
- Space Rental
- Animal Care and Purchase
- Fabrication
- Cost Sharing
- Program Income
Budget Preparation Analysis

OMB A-21 Considerations

Questions to ask when preparing the budget
Direct
Those costs that can be identified specifically with a particular project or activity (easily/readily attached with a high degree of accuracy)

• Personnel salary/wages/benefits
• Materials consumed or expended directly on project
• Services direct to project
• Specifically identified service and maintenance contracts
• Equipment
• Travel
• Training
• Subcontract expenses

Facilities & Administrative
Costs incurred for common or joint objectives that cannot be readily or specifically identified with a particular project or other institutional function

Facilities
• Building depreciation and interest
• Equipment depreciation
• Operations and maintenance
• Library

Administration (includes office and administrative supplies)
• General administration
• Departmental administration
• Sponsored projects administration
• Student administration and student services
Personnel: A-21

- Administrative salaries are usually not allowable as a direct cost and would be considered an F&A cost.
- A student receiving tuition remission must be enrolled in an advanced degree program at UNC-CH and his/her activities on the project must be related to the degree program.
Personnel: Budget Questions

• Who are the personnel?
  – Type of appointment?
  – Summer/academic or both?
  – Amount of Effort?
  – Funded or unfunded effort (cost sharing)?

• What is their Base Salary?
  – Any Promotions/Merits?
  – Agency imposed salary cap? Is PI’s salary over the cap?

• Will there be Graduate students? Work Study?
  – Working summer? How much effort?
  – Tuition remission? What benefits to use?
  – Combined rate/health insurance/clinical appointment?
Equipment: A-21

- Scientific items are generally allowable as direct costs.
- General purpose items are usually unallowable unless used for scientific purposes specific to the project.
- Computers are generally unallowable as direct costs (considered general office equipment);
  - Example of when computer would be classified as ‘equipment’: a computing cluster fabricated from multiple Personal Computers (PCs) as long as each individual PC does not contain its own hard disk storage (therefore it is not capable of being operated independently).
Equipment: Budget Questions

• Does item meet definition for ‘equipment?’
  – Stand alone, costs $5,000 and has useful life of one year or more

• Purpose
  – Scientific items are generally allowable
  – General purpose items are usually unallowable, unless used for scientific purposes specific to the project

• Off the shelf or fabricate?

• Who has title – UNC-CH or funding agency?
Travel: A-21

- Consistently apply either actual cost basis or per diem for each trip
- Per diem may be estimated using UNC-CH travel policy or the Federal Travel Regulation
- For Federal grant must use US Flag Carrier
- Airfare must be in coach class or equivalent
- Excess costs for flying non-commercial are unallowable
Travel: Budget Questions

• What project-related travel will be conducted?
• Answer the questions: who, what, when, where and why
• Itemize costs: air fare, meals and lodging OR per diem
Budget Exercise

- You have a choice of buying flour tortillas at 45 cents/day or corn tortillas at 15 cents/day for personnel working in the field in South America. The gringos want flour. The natives want corn. Can you charge the flour tortillas to your NSF grant?
Subcontract: A-21

- If the proposal is for a Federal grant or cooperative agreement the subrecipient cannot include fees
- Subrecipient costs must also meet A-21 rules for allowability
- Include the subrecipient’s costs as direct costs on proposal budget
- Documentation required with proposal
  - Subcontractor statement of work
  - Subcontractor budget and budget justification
  - Subcontractor letter of commitment
Subcontract: Budget Questions

- To what institution(s) are we subcontracting?
- Is subrecipient going to purchase equipment?
- What personnel and other direct costs will be included?
Consultants: Budget Questions

• A-21 – Consultant’s do not receive fringe benefits
• Is the person affiliated with the University? If yes, then he/she is considered an employee and the costs would be identified in the ‘Personnel’ section of the budget
• What is the consultant’s salary/rate history and does the funding agency have a cap on consultant rates?
• Will the consultant be incurring any additional expenses such as travel or supplies, if so these costs should be included in the budget?
Other Direct Costs: A-21

• Generally, the following items are **NOT** allowable as direct costs
  – office supplies
  – local telephone charges
  – memberships
  – postage
  – subscriptions

• If such costs are specifically required for the project, prior approval must be requested using Cost Accounting Standards Exemption Request (CAS Exemption)
Other Direct Cost: Budget Questions

- What materials and supplies (expendable items) will be required directly for the project (i.e. lab supplies, chemicals/gases)?
- Will any services from a core facility be required (i.e. 3D ultrasound from Image Processing Core Facility)?
- Will the project require any Recharge Center services (i.e. statistical analysis)?
- What publications, reports, documents will be produced? (factor in reprints, page charges, journal costs, illustrations, storage and indexing of data & databases, etc. related to this research project)
- Will any off-campus space be required to rent?
- Will any graduate students be receiving tuition remission? If so, are they NC resident or non-resident?
Budget Exercise

- You have an award from NIAAA that studies the effect of alcohol on diving performance and safety in swimming pools. Can you charge the alcohol to the grant?
Budget Exercise

• Your PI wants to buy the Journal of Cell Biology and the Journal of Microscopic Cells for Islet Transplant—the exact subject of his NIH grant—and charge them to his NIH grant. Allowable or not?
Facilities & Administrative Costs: A-21

- Costs related to sponsored research that cannot be specifically identified to any one project (indirect costs)
- These costs are represented as a percentage of the overall costs of the project as a Facilities and Administrative (F&A) rate
- F&A rates are different for
  - type of project (sponsored research, instruction, other sponsored activities, clinical trial)
  - location of project (on vs off campus)
- F&A rate is applied using costing method
  - Total Direct Costs (TDC)
  - Modified Total Direct Cost (MTDC) whereby certain cost items are excluded since no F&A expenses are incurred with these types of cost items
Modified Total Direct Costs

Costs Items included when applying F&A rate:
- All Salaries & Wages including fringe benefits
- Materials, supplies, services
- Travel
- First $25,000 of each Sub-award

Cost Items excluded when applying F&A rate:
- Equipment
- Capital expenditures
- Rental costs of off-site facilities
- Patient Care Costs
- Fees
- Tuition remission
- Scholarships/Fellowships
- Subawards (amount in excess of $25,000 of each sub-award)
F&A: Budget Questions

• What costing method does the RFA/RFP indicate should be used in calculating F&A amount?
  – Total Direct Cost (TDC)
  – Modified Total Direct Cost (MTDC)

• Which F&A should be applied based on the type of project type of project?
  – Sponsored research
  – Instruction
  – Other sponsored activities
  – Clinical trial

• Where will the project take place?
  – On-campus F&A rate
  – Off-campus F&A rate

Link to UNC-CH F&A Rates:
http://research.unc.edu/osr/information/general_info.php#facilities
# UNC-CH F&A Rates

<table>
<thead>
<tr>
<th>Activity</th>
<th>On-Campus*</th>
<th>Off-Campus (10-mile radius)</th>
<th>Off-Campus (Remote)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organized Research</td>
<td>47.5</td>
<td>28%</td>
<td>26%</td>
</tr>
<tr>
<td>Instruction</td>
<td>46.4%</td>
<td>28%</td>
<td>26%</td>
</tr>
<tr>
<td>Other Sponsored Activities</td>
<td>33.8%</td>
<td>28%</td>
<td>26%</td>
</tr>
<tr>
<td>Clinical Trials (Industry)</td>
<td>28%</td>
<td>28%</td>
<td>26%</td>
</tr>
</tbody>
</table>

* New Rates: 48.0% budget start date July 1, 2009 and after
Cost Sharing: A-21

Mandatory:
• a programmatic requirement often expressed as a percent of the budget or faculty effort without compensation
• should generally not exceed amount required

Voluntary: (reminder THOU SHALT NOT)
• not required by the funding agency
• voluntary cost sharing, including effort without salary recovery, must be prudently allocated

Implicit:
• an agency places a cap or limit on budget items; e.g. NIH salary cap
Will there be any contributions made to the proposed project that will not be borne by the funding agency?
– Cash - state or endowment funds, gift accounts, program income
– In-kind – non-cash contributions provided by non-university resources such as:
  • Salary/wages and benefits for any volunteer Services, research team members paid above the funding agency salary cap,
  • Donated supplies or equipment
  • Travel costs
– Waiver of or reduction in F&A costs

NOTE:
Any cost sharing commitments, including those required by the sponsor, must be carefully reviewed by the department. Costs claimed as cost sharing cannot be claimed on other projects. Documentation must be retained by the University
Key Guidelines

The Principal Investigator (PI) has overall responsibility for the technical and fiscal management of a sponsored project from the proposal development stage through closing out the award. PI responsibilities include management of the project within funding limitation, and assurance that the sponsor will be notified when significant circumstances related to the project change. Day-to-day financial management may be delegated to administrative staff, but accountability for compliance with university and sponsor requirements ultimately rests with the PI.
• Institutional Information
• Frequently Used Information for Sponsored Research
• Financial Information
• Facilities and Administrative (F&A) Cost Rates
• Fringe Benefit Rates
• Submission Guidelines for OCT, SPO & OSR
Steps in Proposal Submission

• **Research Administration Management System and electronic Submission (RAMSeS)**
  – electronic Internal Processing Form (eIPF)
    • Required Information
    • Document Attachments

• **Review Process**
  – Departmental Routing
  – PI Certification
  – Institutional Approval
  – Funding Agency

• **Deadline for Submission**
RAMSeS & eIPF

- **RAMSeS**
  - Used to prepare and route proposals information for institutional approvals
  - Used to access proposal information and award data

- **electronic Internal Processing Form (eIPF)**
  - Must be prepared and submitted with every proposal requesting funding for a research grant, contract or cooperative agreement
  - Collect key proposal data and compliance information
Required Information on eIPF

- General Information
- Investigator/Research Team
- Budget
- Conflict of Interest
- Research Subjects
- Subcontractors
- Export Control

- Intellectual Property
- Benefits to UNC
- Location of Sponsored Activities
- Application Abstract
- Attachments
- Approving Departments
Attachments to eIPF

• Additional forms may be required by the University when a proposal is being routed for approval
  – Application Package
  – Agreement (draft or final)
  – Budget & Budget Justification
  – Proposal Announcement Guidelines
  – Representations and Certifications
  – Subcontractor Documents
    • Letter of Commitment
    • Budget & Budget justification
    • Scope of Work
  – Other
Proposal Review Process

- **Review and Approval Responsibilities**
  - Business Manager/Research Administrator – *eIPF Creator*
  - Principal Investigator – *PI Certification*
  - Dean/Director/Chair – *Admin. Award eIPF Approver*
  - Chair/Director in affiliate department/center/institute – *eIPF Approver*
  - Office of Administration - *OSR, OCT, SPO*

- **Submission Deadline**

- **Funding Agency Review**

- **Award Acceptance**
Review & Approval Responsibilities

Business Manager/Research Administrator - *eIPF Creator*

- Review RFP/RA for any special terms and conditions to assure that proposals are prepared accurately and completely
- Prepare proposal budget and budget justification
- Typically prepare the eIPF and submit for routing
- Interface between PIs and Office of Administration (OSR, OCT, SPO) to assure completed proposals are routed through their department and submitted in a timely fashion so that reviews and sponsor submission deadlines are met.
Review & Approval Responsibilities

Principal Investigator - *PI Certification*

- Review and certify proposal is true, complete and accurate including scientific, administrative, fiscal and ethical performance
PI Responsibilities

• The Principal Investigator has overall responsibility for the technical and fiscal management of a sponsored project from the proposal development stage through closing out the award.

• Day-to-day financial management may be delegated to administrative staff, but accountability for compliance with University and Sponsor requirements ultimately rests with the PI.
Review & Approval Responsibilities

Dean/Director/Chair - *Admin Award eIPF Approver*

- Confirms that the PI is appropriately qualified for performance of the project
- Confirms the PI has available time to commit to project
- Confirms that it is an appropriate activity within the Department/Center/Institute
- Determines if additional space or other resources are needed
- Agrees to provide any resources identified in the application (i.e. cost sharing, costs sponsor is unable to pay)
- In the event that signature authority has been delegated to another person for purposes of approving the IPF, a copy of this delegation is kept on file in the department.
Review & Approval Responsibilities

Chair/Director – *Department/Center/Institute*

**eIPF Approver**

- Confirms availability and use of space
- Confirms accurate personnel wages and effort committed

- If research involves investigators from more than one department/unit, one department is selected to administer the award (admin department), but each department/unit must still provide approval for the use of space, personnel, and/or equipment to be used on a particular project.
Review & Approval Responsibilities

Offices of Administration - OSR, SPO, OCT

- Evaluates all proposals, awards, agreements, or contracts prior to submission in order to certify that commitments made can be honored
- Verifies the accuracy of information supplied (compliance with University policies, agency guidelines, federal regulations)
- Works with departments to prepare and submit the application
- Under a specific delegation of authority from the Vice Chancellor for Research and Economic Development (VCRED), OSR, SPO, OCT has signatory authority to enter into legal commitments for the University for all proposals, grants, cooperative agreements, and contracts associated with research and training activities
Principal Investigators and Deans do not have this authority to enter into legal commitments for the University. Therefore, all proposals must be internally reviewed and signed by an authorized UNC-CH official (OSR, SPO, OCT) prior to submission to the sponsor.
Meet the Proposal Management Teams

Hamilton Brown, Director
Office of Sponsored Research

- Federal Agencies (except for SOM NIH grants and cooperative agreements)
- State Agencies
- Non-Profit Organizations
- Foundations (except SOM administered departments)
- Industry
- All other proposal types (i.e. contracts, data use agreements)

- Vicky Covington, Proposal Specialist
- Vacant, Senior Grant & Contract Specialist
- Cathy Rogers, Grant and Contract Specialist
- Cassandra Rogers, Grant and Contract Specialist
- Diane Sanford, Grant and Contract Specialist
Meet the Proposal Management Teams

Carolyn Marlow, Director
Sponsored Projects Office
School of Medicine

- NIH grants and cooperative agreements
- Non-Profit organizations

Note: Non-Medical School proposals which include SOM personnel are no longer routed to SPO

- Pamela Bordsen, Proposal Contracts Administrator
- Mary Broaddus, Grants Analyst/Reviewer
- Vivian Johnson, Asst. Director
- Vacant, Grants Analyst/Reviewer
- Phyllis Pressley, Grants Analyst/Reviewer
- Sherry Whitaker, Grants Analyst/Reviewer
Meet the Proposal Management Teams

Barbara Longmire, Director
Office of Clinical Trials

- Review and approve clinical trial contracts with private industry, federal sponsors and other entities
- Erika Hessenthaler Nunn, Senior Contract Manager
- Janet Devine, Contract Manager
- Aylin Regulski, Contract Manager
- Karen Cheek, Contract Manager
- Ginger Morgan, Admin. Assistant
Submission Deadline

• Complete and final proposal applications with published and/or established agency deadlines must be received by OSR/SPO/OCT at least 5 business days prior to the due date.

• Proposals that have no established deadlines will be processed as soon as possible depending on the circumstances and the urgency.
Funding Agency Review

- Sponsor receipt / acknowledgment
- Sponsor review
  - Administrative (including budget and budget justification)
  - Scientific
- Federal Agency Review
  - Notification of Scientific Review Group assignment (NIH)
  - Recommendation by Review Group
    - Can take 6 – 9 months
  - During the review process, agency may request:
    - Supplemental information
    - Revised budget
    - Just-in-time (JIT) – IRB and/or IACUC approvals, Other Support

NOTE: these items should come through OSR Award Management for review and approval
Purpose: To confirm/accept agency terms and conditions on behalf of UNC-CH

- All negotiations are performed by OSR personnel who have been delegated authority to enter into legal commitments for the University for all proposals, grants, cooperative agreements, and contracts associated with research and training activities.

- In this role OSR performs the following:
  - Reviews terms and conditions
  - Identifies problematic provisions
  - Proposes alternative solutions
  - Obtains review and comment from PI for acceptability
  - Negotiates issues with agency
  - Accepts award
The PI should work through OSR and not create ‘side deals’ with agency officials that could commit the university to terms and conditions that cannot be accepted.
Award Acceptance

• Unilateral
  – Most federal grants do not require formal acceptance – Payment system drawdown indicates acceptance
  – Typically no need to negotiate
  – Acceptance of terms tied to draw down of funds

• Bilateral
  – Both parties must sign
  – Can be very simple with no negotiation (e.g., award letters from many foundations)
  – Can be very complex with months of difficult negotiations
Module 3 Competency Test

• Go to the following web site to complete the Competency Test for Module 3