Proposal Process and Award Management

Office of Sponsored Programs
Sponsored Programs Accounting
Today’s Agenda

- Roles and Responsibilities
- Proposal and Budget Development
- Award Review and Acceptance
- Subawards
- Account Set-Up
- Award Management
PI Responsibilities

- Identify appropriate funding opportunities
- Submit a Notice of Intent to submit proposal as early as possible
- **Read proposal solicitation for requirements**
- Prepare internal forms
- Prepare draft budget and justification
- Prepare full proposal as required by sponsor
- Submit proposal to OSP with adequate time for us to review the proposal before we submit it
OSP Responsibilities

- Provide technical assistance on policies, procedures and guidelines
- Assist with, review and approve budget and justification
- Review proposal for compliance with sponsor requirements and provide feedback
- Approve proposal, serve as authorized signatory and institutional representative
- Submit approved electronic proposal to sponsor if sponsor requires e-submission by institutional representative
Electronic Proposal Submission

• Electronic Research Administration
  – Grants.gov
  – NSF Fastlane
  – NIH e-Commons
  – Other federal, non-profit, or foundation

• Account Registration
  – Grants.gov (University is registered - PI does not register)/Cayuse
  – NSF Fastlane (PI must register)
  – NIH e-Commons (PI must be registered)
    ▪ All PIs and all senior personnel have to be registered at time of proposal
Proposal Requirements

• Sponsor typically requires:
  – Cover page with appropriate signatures
  – Statement of Work
  – Personnel biographical sketches
  – Detailed budget with justification
  – Facilities statement
  – Sponsor-specific requirements
  – Financial Interest Disclosure

• WPI/OSP requires
  – PRF
  – Cost-Share and other approvals/sign-offs
Budget Development—what do I need?

• Once the project objectives are decided, determine what is needed:
  – What resources do you need to execute the proposed project?
  – Who will be performing the research (e.g., RA, Post-Doc, etc.)?
  – How long will the research take?
  – When will you begin?
  – Will you need a sub-contractor and/or consultants?
  – Are you a sub-contractor on another PI’s proposal?
  – Will you be traveling to meetings?
  – Will you be purchasing equipment?
Components of a Budget

Direct Costs
- Salaries/stipends and fringes
- Materials and supplies
- Travel
- Equipment
- Participant Support Costs (subsistence, stipends)

Other Direct Costs
- Other/Tuition
- Consultants
- Sub-awards
- Publication costs

Indirect Costs (F&A)
Cost Share (if required)
Faculty Salary

- Monthly faculty salaries are based on the number of months of appointment.

- A 9-month faculty can earn an additional 2 months of his/her base salary as summer salary; more than 2 months needs dept. head/provost approval.
  - Ex.: If 9-month salary = $100,000, then each additional month = $11,111.
  - NSF only allows 2 months to be charged to their grants or, in this case, $22,222.

- If a PI wishes to buy out of teaching, he/she needs department head approval.
How much will a Research Assistant cost?

- Stipends can vary; guidelines can be found on the OSP website.
- Health fee is currently $1082/year.
- Tuition has to be included (at 50% of the current rate for Ph.D. students as long as there is no cost-share).
- A 20-hour, 9-month graduate assistant is considered full-time for the academic year.
- A 20-hour RA for the academic year will cost a total of about $49,000. This includes stipend, tuition, health fee and IDC.
- A 20-hour RA for the calendar year will cost about $61,000.
# Direct vs. Indirect (Facilities & Administrative) Costs

## Direct Costs
- Identified with a particular project
- Incurred to advance the work on that project
- Assigned to that project with ease accuracy

## Indirect (F&A) Costs
- Benefit common or joint activities
- Benefit numerous projects – cannot readily be identified with specific project
- Are negotiated between the University and its cognizant federal agency
DIRECT COSTS

- Subcontract (both its direct and F&A)
- Lab Supplies
- Postdoc Salaries
- Specialized Equipment
- Human Subject Incentives
- Animals
- Travel

F&A COSTS

- Dept Admin Salary
- Office Supplies
- Library
- Dept Head Time
- Building
- Office Phone
- Custodial Services
- Scientific Journals

Unallowable

- Alcohol

Worcester Polytechnic Institute
The budget justification should correspond to the line items on your budget.

- **Personnel:**
  - # of months effort for all Personnel
  - What their project responsibilities are
  - The Fringe Benefit rate for faculty and staff
  - Inflation factors used

- If requesting equipment (items > $5,000),
  - Explain what you intend to purchase;
  - How it relates to your project;
  - If you have a quote, include it.

- **Travel:**
  - Where are you going/which meeting will you attend?
  - Itemize airfare, hotel, meals, registration, etc.
Budget Justification (Cont’d)

- Explain all Other Direct costs
- Explain WPI’s policy of charging tuition costs and health fee
- Note indirect cost rate of 57% of the Modified Total Direct Costs (MTDC) for research projects.
  - Modified Total Direct Costs = IDC base of direct costs less certain exceptions (e.g., equipment items > $5K, tuition, sub-awards amounts beyond the first $25K)
Cost Share

- Cost share is any portion of the cost that is covered/paid for by WPI
  - Mandatory
  - Voluntary committed
  - Voluntary uncommitted
- Some programs require cost share (e.g., DOD, NOAA, DOE)
- Some prohibit cost share (e.g., NSF)
- Some indirectly require cost-share by mandating a reduced F&A rate
- If no requirement, it is strongly suggested that cost share not be included.
- Why not include cost share?
I’ve been funded, what happens next?

- **OSP/SPA** needs the following to set up an account:
  - An approved proposal
  - Terms and conditions of the award have been reviewed, understood, possibly negotiated, and accepted
  - An award document
    - Notice of Grant Award
    - Fully-executed Contract
  - A budget that matches the awarded amount
  - Any Export Control and Financial Conflict of Interest matters resolved
  - Any human (IRB) and animal (IACUC) approvals need to be in place

- **SPA** issues an account number and releases the budget. An Award Notification is sent to the PI.
How do I get the money to my collaborators?

• OSP creates the sub-award and routes it for signatures
• Once sub-award is fully executed, collaborator can start work
• Collaborator sends invoice to SPA
• PI approves invoice
  – Review for allowable costs
  – Confirm charges reflect work performed
• PI monitors performance and notifies OSP/SPA if any issues arise.
What can I charge to my grant?

• Costs included in your proposed and approved budget, such as salaries, supplies, equipment, travel, sub-awards, consultants, etc.

• Allowable costs are:
  – Reasonable
  – Allocable to the project
  – Treated consistently in like circumstances
  – In accordance with sponsor policies and guidelines

• Unallowable cost are:
  – Alcohol
  – Travel upgrades
  – General office supplies
What if I need more money in a budget category?

• Contact Sponsored Programs Accounting
  — Provide justification
  — Sponsor approval may be required

• Be careful when rebudgeting in or out of budget categories that effects the IDCs (e.g., equipment, sub-awards > $25,000, and tuition)

• Proposed level of effort is important
  — PI’s, Co-PI’s, and Key Personnel need written prior approval from the sponsor to reduce their level of effort by 25% or more.
What if I need more time?

• Submit a no-cost extension request to OSP
• Provide appropriate justification
• Sponsor approval may be required
• OSP is able to approve the first no-cost extension on some federal awards (e.g. NIH, NSF)
How much money is currently in my account?

• There are various tools available for your use.
  – Banner
  – Argos reports

• Account monitoring is important
  – Monthly reports sent by SPA
What if there is a cost-share commitment?

- Cost-shared commitments:
  - Have to be tracked and may be reported to the sponsor
  - Have to be spent during the period for which they were committed
  - Require documentation in support of commitment

- Sub-award cost-share needs to be properly reported and documented with their invoices

- Third party cost-share needs to be reported and documented
What if I have multiple grants?

• Each grant needs to be accounted for separately
• Make sure that expenses associated with each grant are charged to the appropriate account
• Personnel costs should be charged to the grant on which they are working
• If an expense is charged to the wrong grant account, it needs to be transferred as soon as possible via a cost transfer
• Cost-transfers must be properly justified
What is my responsibility at the end of the grant or budget period?

• Submit all technical reports on time
• Complete financial review, including potential unallowable costs, deficits, and pending charges
• Ensure sub-awardees have submitted their reports and their expenditures are appropriate
• Ensure all inventions have been disclosed so that OSP can complete the invention statement, as required by the sponsor, accurately.
What is effort reporting?

- All individuals working on sponsored projects (both paid and cost-shared) are required to certify their effort.
- Verification of paid effort helps to ensure that labor expenses charged to grants were appropriate.
- In general, effort reporting is needed to ensure that commitments made to sponsors have been met.
- Each report must be signed by either the individual or the PI of each project on which the individual is working.
Effort Reporting encompasses ...

**Pre-Award**

- Appointing Faculty & Staff
- Employment terms are established including # months, % full time & salary base.
- Preparing the Proposal
- Budget
- Committing Effort
- Effort is proposed. Upon award, this constitutes a formal commitment to the sponsor.

**Post-Award**

- Award Management/
  Charging Salary
- Salary is charged or
  cost shared as effort is expended on the project.
- Certifying Effort
- Effort is verified at the next reporting cycle.
What are my responsibilities?

- PI is responsible for the scientific or technical aspects of the grant and day-to-day management of the project.
- The PI is responsible for ensuring compliance with the financial and administrative aspects of the award.
  - Allocate costs properly among grants
  - Monitor sub-award performance and expenditures
  - Review and approve fiscal and effort reports
  - Ensure budget vs. spending is reasonable
  - Avoid cost overruns/deficits
  - Ensure regulatory compliance (IRB, IACUC, etc.)
  - Report changes in scope of work and/or effort
- OSP and SPA are here to help!
Who do I contact if I have questions?

• Office of Sponsored Programs
  – http://www.wpi.edu/offices/osp.html
  – http://www.wpi.edu/offices/osp/staff.html
  – (508) 831-5359
  – resadm@wpi.edu

• Sponsored Programs Accounting
  – http://www.wpi.edu/offices/finops/sponsored-research.html
  – Engineering (508) 831-5702
  – Arts & Sciences (508) 831-5141
  – Other (508) 831-5422
Where can I find WPI Info?

- On the OSP website, you will find:
  - Institutional information and rates
  - Budget spreadsheet and other templates:
    [http://www.wpi.edu/offices/osp/proposaldev.html](http://www.wpi.edu/offices/osp/proposaldev.html)
  - The Budgeting and Costing Guide:
    - RA stipend rates
    - Fringe Benefit Rate
    - Tuition Rate
    - Indirect Cost Rate