Finding Funding, Budget Preparation, and Proposal Submission for Sponsored Research

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February 6, 2013
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Non-Profit, Foundations, USAID, DOS, Other State/Local Gov't, Universities

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Agenda – A Walkthrough of the Proposal Process at MSU

Proposal Preparation Guide

- Overview
- Step 1: Identify Funding Sources
- Step 2: Study Application Requirements
- Step 3: Working with Administrators and OSP
- Step 4: Budget and Budget Justification
- Step 5: Prepare Necessary Forms
- Step 6: Regulatory Requirements
- Step 7: OSP Initial Review of Budget
- Step 8: OSP Final Review
- Step 9: Send OSP the final proposal for submission

www.osp.msu.edu
Step 1: Identify Funding Sources

- **Federal**

- **State of Michigan**
  - Largely relationship driven

- **Foundations/ Non-Profit**
  - https://proposalcentral.altum.com

- **Industry**
  - Business Connect - http://businessconnect.msu.edu/

- **Contact OVPRGS**
  - http://vprgs.msu.edu/findfunding
Step 2: Study Application Requirements

• Read the Solicitation!
  ✓ Look for restrictive terms (e.g. Publications)

• Eligibility Requirements
  ✓ Special approval for institutionally limited

• Funding Guidelines
  ✓ Total cost cap vs. direct cost cap
  ✓ Cost share/matching requirements
  ✓ Facilities and Administrative (F&A) Limitations

• Dates
  ✓ Deadline dates
  ✓ Anticipated start dates

• Application Format
  ✓ Electronic vs. paper submission
Step 3: Roles & Responsibilities

Principal Investigator

• Responsible for a project’s overall programmatic and financial direction.
• Make decisions on how to allocate the available financial resources to successfully carry out the project objectives.
• Ultimately responsible for resolving any over-expenditures or unallowable costs.
• Report any inventions and/or financial conflicts of interest
• Receive proper compliance approvals – e.g. Animal Subjects, Human Subjects, Export Controls
Step 3: Roles & Responsibilities

Research Administrator

• Maintain current knowledge of sponsor regulations and MSU policies and procedures
• Assist in proposal preparation
• Assist in the fiscal management of sponsored program accounts
• Provide overall assistance to PI’s in successfully managing the proposal and award process
Step 3: Roles & Responsibilities

College / Department

• Assuring adequate facilities and other resources for achieving project objectives
• Assuring faculty time commitments on sponsored activities do not conflict with other departmental or university responsibilities
• Monitoring financial resources
• Monitoring compliance with regulatory requirements
Step 3: Roles & Responsibilities

Office of Sponsored Programs

• Assist PI, department and college staff throughout the pre-award process
• Authorizes all projects to external sponsors
• Accepts awards
• Negotiates agreements and contracts
Step 3: Roles & Responsibilities

- PI
- Research Administrator
- College/Department
- Office of Sponsored Programs
Step 4: Developing a Budget
Direct vs. Facilities & Administrative (F&A) costs

- **Direct Costs** – Specifically identifiable to your project
  - e.g. PI effort, project specific supplies, necessary travel

- **F&A Costs** (Indirect Costs (IDC), Overhead) — NOT specifically identifiable to your project
  - e.g. Buildings, utilities, administrative support, office furniture
The Budget – Line by Line

• Salaries/Wages and Fringe Benefits
  ✓ For University professional and research staff, graduate and undergraduate students, and casual or part-time workers,
  ✓ Salary figures should be based on the percentage of effort by each individual on the project applied to his/her annual salary.
  ✓ Be careful with overload pay
  ✓ Percentages of Effort vs. Person Months calculation
  ✓ Don’t forget to include the associated Fringe Benefits
    ▪ Specific Identification
    ▪ Lower rates for Research Associates (Post Docs)
    ▪ Grad Assistant Fringe Chart

Use the OSP Salary Budget Builder
The Budget – Line by Line

• Equipment
  ✓ Non-expendable, tangible personal property with an acquisition cost of $5,000 or more per unit
  ✓ Has a useful life of more than one year

• Travel
  ✓ Budget foreign travel using U.S. air carrier rates
  ✓ Look for required travel to be budgeted in your RFA
  ✓ Be as detailed as possible with your travel details in the budget justification

• Materials and Supplies
  ✓ Specifically for the project
  ✓ Easily identifiable and allocable
  ✓ Use caution when including computers and/or printers
The Budget – Line by Line

• **Other Direct Costs**
  - Subcontracts for collaborative projects with other universities/organizations should be included in this line-item (include subcontractor budget and letter of intent)
  - Consultants – include rate and qualifications in the justification
  - Animal care costs
  - Copying costs
  - Food costs – typically unallowable on federal grants.
  - Subject pay / incentives
  - Patient care costs
  - Grad student tuition and fees
**The Budget – Line by Line**

✅ **Facilities and Administrative Costs (F&A)**

- Use the full applicable MSU rate, publicly mandated or statutorily capped rate.
- Types of F&A bases – Modified Total Direct Costs (MTDC), Total Direct Costs (TDC), Salaries and Wages (S&W)
- Our federally negotiated rate uses the MTDC base, which excludes grad tuition and fees, equipment, subcontract payments over $25k, and other costs.
- Asking to use a reduced F&A rate requires OVPRGS approval

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The Budget Justification

✓ Used to justify the expenses included in the detailed budget
✓ Stay away from including dollar amounts for categories
✓ Be very detailed when justifying certain categories of expense such as foreign travel and consultants
✓ Watch for agency rules on justifying effort – percentages vs. person months
✓ Don’t include voluntary cost share!
Cost Sharing

• **Include only when required**
  - Many federal agencies that previously required cost sharing have reduced or eliminated the requirement and instead are basing their funding decisions on the technical merit of the proposal.

• **Mandatory vs. Voluntary**
  - Mandatory cost share is a requirement of the solicitation. Voluntary cost share is NOT a requirement of the solicitation, but is a quantifiable amount identified in the proposal that we are not requesting the sponsor to pay for.
  - Mandatory cost share must be quantified and included in the Cost Sharing field on the eTransmittal.
  - Voluntary cost share does not have to be quantified, but must be included as a note on the eTransmittal
Cost Sharing

Mandatory

Other Financials

- *Subcontract Amount: $ 
- *F&A Rate: %
- *Total Cost Sharing/Matching/In-kind Included: $ 

Save

Voluntary

Notes

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<th>Action</th>
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Add Note
Budgeting tips

1. Look for requirements in your solicitation
   - Total vs. direct cost cap
   - Limits to F&A
   - Required travel
   - Required cost share (match)

2. Use round numbers

3. Start with salaries

4. Subcontracts? Get budgets early!
Budgeting tips

5. Use caution with the following categories:

- Administrative support
- Laptops, printers, scanners, etc.
- Office Supplies
- Meals and entertainment
- Cell phones
Step 5: Prepare MSU and Agency Forms

MSU’s Internal Approval Form – The eTransmittal
Step 5: Prepare MSU and Agency Forms

• eTransmittal – Things to keep in mind
  ✓ Make sure the appropriate faculty are receiving F&A credit and you agree with the split between faculty
  ✓ **Admin Resp Unit** – Who is doing the bookkeeping for the project? Impacts the F&A return.
  ✓ **Direct sponsor** = entity giving us funds
  ✓ **Prime sponsor** = entity sponsoring the research
  ✓ Only required cost share is entered in the **cost share field**. Voluntary cost share is included as a note.
  ✓ **Subcontract field** is the dollar amount for total subcontracts we have in our budget. This is not for when MSU is a subcontract.
  ✓ Budget, Budget Justification and Scope of Work should be included as **attachments**.
  ✓ **Start early!**
Step 6: Regulatory Requirements

- **Human Subjects Approvals**
  - Human Research Protection Program (HRPP)
  - Institutional Review Board (IRB) approval must be received prior to account setup, but not necessarily prior to proposal submission

- **Animal Subjects**
  - Institutional Animal Care and Use Committee (IACUC) approval must be received prior to account setup, but not necessarily prior to proposal submission

- **Export Control Review**
  - The Export Control and Open Research & Review Worksheet (ECORRW) must be approved before account setup

- **Conflict of Interest Compliance**
  - New policy for National Science Foundation (NSF) and Public Health Service (PHS) Investigators
  - For NSF and PHS Investigators, all must be in compliance prior to proposal submission or account setup
Step 7: OSP Initial Review of Budget

- Send budget to OSP 10 business days in advance of the deadline
- Include a link to the solicitation when you send the budget
- Include the App Number as a reference in your email
- OSP generally responds within 2 days with comments, questions, or approval of the budget
Step 8: OSP Final Review of Proposal

- Send proposal to OSP 5 \textit{business days} in \textit{advance} of the deadline
- OSP will review to verify compliance with MSU and sponsor guidelines and policies
- The PI may continue working on the scientific portions of the proposal while OSP is reviewing the administrative components.
Step 9: Send OSP the Final Proposal for Submission

- Must have a fully routed eTransmittal in order to submit
- Must be in compliance with COI requirements in order to submit
- Proposals required to be submitted to Grants.gov should allow 2 business days for submission. These proposals are submitted by OSP.
- Paper proposals should be sent to OSP for approval 24 hours prior to the deadline. These are mailed by the department.
Pitfalls of NOT receiving approval for proposal submissions

- May have to request changes from sponsor
- May have to withdraw proposal if the chair and dean are not supportive
- MSU may not be able to accept the award or contract due to terms of the solicitation.
- Delays award setup or contract negotiation
Additional Opportunities for Trainings Related to Sponsored Programs

- Essentials of Research Administration (ERA), [http://sprout.vprgs.msu.edu/training.html](http://sprout.vprgs.msu.edu/training.html)
- Research Workshops sponsored by Office of Research Facilitation and Dissemination, [http://vprgs.msu.edu/announcement/research-workshops-2012-13](http://vprgs.msu.edu/announcement/research-workshops-2012-13)
- FBI Academic Alliance Conference (Fall), [http://vprgs.msu.edu/2012-msu-fbi-academic-alliance](http://vprgs.msu.edu/2012-msu-fbi-academic-alliance)
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