

## **Policy 2201**

### **Sponsored Programs Proposals: Pre-Award/Post-Award Procedures**

**Date of Current Revision: February 2004**

**Responsible Office: Vice President for Research, Economic Development and Innovation**

#### **1. PURPOSE**

This policy provides procedures for university employees to submit proposals to outside sponsors for instruction, research, training, service or other related project support that involves specific requirements for performance on the part of the University.

#### **2. AUTHORITY**

The JMU Board of Visitors is authorized to establish policy for the university. In cases where the board has not exercised that authority, it is delegated to the president.

#### **3. DEFINITIONS**

##### **Contract**

A mechanism for procuring a product or service with specific obligations for both sponsor and recipient. Typically, a research topic and the methods for conducting the research are specified in detail by the sponsor, although some sponsors award contracts in response to unsolicited proposals. A contract is a legally binding document.

##### **Cooperative Agreement**

An award similar to a grant, but in which the sponsor's staff may be actively involved in proposal preparation and anticipates having substantial involvement in research activities after the award has been made.

##### **Cost Sharing**

The portion of the total project costs of any sponsored agreement that is not provided by the sponsor.

##### **Direct Costs**

Clearly identifiable as being related to a specific project. General categories of direct costs include, but are not limited to, communication and travel, contractual services, equipment and computer use, fringe benefits, salaries and wages, supplies, housing and meals.

##### **Facilities and Administrative Costs**

Incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, an instructional activity or any other institutional activity. Facilities and administrative costs are synonymous with indirect costs.

##### **Facilities and Administrative Rate Agreement (Indirect Costs)**

A negotiated agreement with the Department of Health and Human Services. The rates shall be applied consistently to all applicable sponsored-program activity at the university, including all federal, nonfederal and industrial sponsors.

**Grant**

A type of financial assistance awarded to an organization to conduct research or other programs as specified in an approved proposal. A grant, as opposed to a cooperative agreement, is used whenever the awarding office anticipates no substantial programmatic involvement with the recipient during the performance of the activities.

**In Kind**

Contributions or assistance in a form other than money, such as equipment, materials or services of recognized values.

**Principal Investigator**

The individual with the responsibility for conducting the research or other activity described in a proposal for an award. The terms “principal investigator” or “project director” may be used interchangeably in accordance to the agency’s program language.

**Proposal**

A formal written description concerning the conduct of research, training or technical assistance with the support of an external sponsor. The proposal represents an offer by the university to perform the activities specified and contains all information necessary to describe project plans, staff capabilities and funds requested. The university’s review and approval process ensures compliance with both sponsor and university policies.

**Sponsored Programs**

Projects or programs that are conducted by faculty member(s) and/or administrative staff member(s) and supported — fully or in part — by external restricted funding awarded to the university. Sponsored programs may be research, instructional, or service in nature. In all sponsored programs, the university has obligations to the funding source in accordance with the terms of a proposal or agreement. In the case of a proposal, these obligations are based on the project description developed by the faculty member(s) and/or administrative staff member(s). In the case of a grant, these obligations are based on the project description developed jointly by the sponsor and the faculty member(s) and/or administrative staff member(s).

**Sponsor/Funding Agency**

Federal, state or private agencies external to the university who provide support for a program or project at the university.

**Total Direct Costs**

The total of all direct costs of a project.

**Total Project Costs**

The total allowable direct and indirect costs incurred by the institution to carry out an approved project or activity.

**4. APPLICABILITY**

This policy applies to all JMU employees and governs university educational programming, research and scholarly endeavors sponsored in whole or in part by outside entities including government and industry. It does not apply to gifts or contributions handled through the JMU Foundation and the Division of University Advancement.

## **5. POLICY**

A sponsored program is an award from an external source (the “sponsor”) for an agreed upon purpose with sufficient custodial responsibility to warrant unique administrative accountability. It is established by an agreement, usually called a contract, cooperative agreement, grant, purchase order or other document decided upon between the university and the sponsor. Sponsored programs are undertaken to augment institutional resources to enhance the university’s research and educational programming, and to facilitate the ability of faculty members, staff members and students to develop and achieve their goals in educational programming, research and service delivery through successful competition for external funding.

The proposal serves as the primary document upon which the university and a funding source agree to provide the facilities, funds and services necessary to perform the project development, research, service and/or training. Grants and contracts are made to the institution and not the principal investigator; therefore, institutional approval and involvement is required. The proposal specifies the obligation of the principal investigator to perform services, the university to provide facilities and services, and the sponsor to provide support.

University employees who plan to submit a proposal to an outside sponsor must have the preliminary approval of their academic unit head and dean before contacting the Office of Sponsored Programs to obtain the necessary forms to begin the formal process of a program proposal.

All external publicity on grants and contracts is to be verified with the Office of Sponsored Programs prior to release through the JMU Office of Media Relations.

## **6. PROCEDURES**

### **6.1 Internal Procedures**

Contracts, grants, research agreements and sponsored-award documents are legal instruments that bind the parties to the terms stated therein. Therefore, state and federal laws as well as James Madison University policies and regulations must be followed when preparing, accepting, signing and executing such legal documents. Thus, all proposals — whether new or continuing — must be processed through the Office of Sponsored Programs for formal university approval and signature before they are submitted to external sponsors. The OSP serves as the administrative voice in the negotiation and acceptance of grants and contracts and subsequent modifications.

A sponsored-program proposal is usually originated by the faculty or staff member who will be in charge of the program under the direction of the appropriate academic unit head or administrator.

All proposals soliciting external support — whether from federal, private or state agencies — call for some commitment of institutional resources. Therefore, the Proposal Internal Approval Form must be prepared and submitted by the principal investigator with the approval of a sponsoring academic unit. Cost sharing should be engaged in only in the following circumstances:

- When mandated by the sponsor
- When necessary to accurately reflect the level of effort required to conduct the project
- When necessary due to the competitive nature of the award

In the event mandatory cost sharing is required, the principal investigator must complete a Cost Sharing Request Form (Exhibit 2) and obtain appropriate university approval(s).

Approval from those responsible for the administration of university resources must be obtained prior to the formal submission of the proposal.

In addition to the Internal Approval Form, sponsored-program proposals should include the following sections in the following order:

1. title page and abstract, problem statement: purpose for developing the proposal
2. objectives: goals and desired outcomes
3. procedures: program methods and program design - a plan of action
4. evaluation methodology: product and process analysis
5. budget and budget justification

## **6.2 Steps for Proposal Development and Pre-Award**

- a. Faculty and staff members who wish to pursue sponsored programs should receive preliminary approval from the appropriate academic unit head or director and dean. Before writing a proposal, the individual faculty or staff member should contact the dean, academic unit head or director to enlist approval and support for the project. Questions concerning faculty time commitments, space and facilities, as well as proposed new courses and/or requirements, should be resolved at this time. All early correspondence including any letters of intent in initial solicitation efforts are to be routed through the Office of Sponsored Programs.
- b. A number of funding agencies, in compliance with Federal Executive Order 12372, Intergovernmental Review Process, require that state and regional clearinghouses be notified of the intent to apply for funds. Such notification is transmitted on Standard Form 424 and should be submitted at least 30 days prior to submitting an application for funds.
- c. Principal investigators who plan to submit a proposal involving the use of human subjects are required to have the Institutional Review Board for the Use of Human Subjects review the proposal prior to submitting the proposal to the Office of Sponsored Programs (see JMU Policy [1104](#)). In such cases, the principal investigator or project director will inform the Office of Sponsored Programs of the need for this review; the Office of Sponsored Programs will coordinate the review process. Proposals involving the use of human subjects are not to be submitted to the target agency until the Institutional Review Board has conducted this review for the Use of Human Subjects.
- d. Principal investigators who plan to submit a proposal involving the use of vertebrate animals are required to have the proposal reviewed by the Institutional Animal Care and Use Committee prior to submitting the proposal to the Office of Sponsored Programs (see JMU Policy [2202](#)). In such cases, the principal investigator or project director will inform the Office of Sponsored Programs of the need for this review; the Office of Sponsored Programs will coordinate the review process with the IACUC. Proposals

involving the use of vertebrate animals are not to be submitted to the target agency until the IACUC has approved the proposed work.

- e. The principal investigator should contact the Office of Sponsored Programs for guidance concerning the calculation of project costs to include current federally negotiated facilities and administrative costs (indirect costs) and appropriate fringe benefit costs. The principal investigator should verify equipment estimates with the vendor and/or the JMU Office of Procurement Services.
- f. After obtaining preliminary approval from the academic unit head or director and dean, the principal investigator can get a Proposal Internal Approval Form from the Office of Sponsored Programs. The principal investigator will then submit the completed proposal along with the Proposal Internal Approval Form to the academic unit head for endorsement of approval. The Proposal Internal Approval Form and any other signatures necessary to the proposal must be obtained and then submitted to the dean of the principal investigator's college or division for signature. The Proposal Internal Approval Form and the original proposal with one copy is then ready to be submitted to the Office of Sponsored Programs.
- g. Proposals prepared for submission to external funding agencies must be received in their entirety in the Office of Sponsored Programs at least five full workdays prior to the agency's target date for mailing. Failure to meet this deadline may jeopardize the on-time submission of the proposal. Proposals not meeting this deadline shall be submitted with conditional approval only. If subsequent review reveals that the submitted proposal contains errors, inaccuracies and/or misrepresentations, is incomplete, or does not conform with sponsor or university requirements, the principal investigator shall be responsible for making appropriate changes or withdrawing the proposal.
- h. The Office of Sponsored Programs will review the completed proposal for compliance issues and for budget consistency, create the permanent file for the proposal and verify that all necessary agency program submission requirements have been met. The completed proposal will then be signed by an authorized person in the Office of Sponsored Programs and forwarded to the offices of the appropriate university officials for signatures. The Office of Sponsored Programs cannot assure that this will be accomplished for proposals submitted in less than the five-day time frame. If substantive changes are made after signatures have been obtained, a revised proposal will be rerouted noting the changes.
- i. The signed proposal will then be returned to the Office of Sponsored Programs, which will return the approved proposal to the principal investigator or project director for final review and for making the required copies and mailing from the academic unit. The Office of Sponsored Programs retains the original Proposal Internal Approval Form and the remaining copy of the proposal for the official university file.
- j. The file is considered funded when the Office of Sponsored Programs receives the award document from the sponsoring agency. Official agency documents with original signatures must be provided to the Office of Sponsored Programs and retained in the official university file.

- k. The Office of Sponsored Programs will inform appropriate university officials, including the Office of Media Relations, of awards and will be responsible for coordinating with Grants and Contracts Financial Services to begin the financial management of the sponsored program.
- l. It is recommended that principal investigators/project directors systematically coordinate with the Office of Sponsored Programs further efforts to obtain additional funding for their projects from the present funding source or other sources.
- m. Coordination with the Division of University Advancement must be made before contacting private sector funding sources. Information pertaining to the definition of a gift, as well as the solicitation and acceptance of gifts may be obtained by referring to JMU Policy [5101](#).

### **6.3 Procedures for Project Management Post-Award**

- a. All funds received for sponsored programs are under the fiscal control of the assistant vice president for finance. These funds must be receipted and disbursed in accordance with university policy, state and federal law, and sponsored programs' restrictions (including federal OMB circulars A21, A89, A110, and A133).
- b. Full-time faculty members and employees may be paid for additional services performed under grant auspices. However, authorization for compensation in excess of the regular salary must be in accordance with the procedure set forth in JMU Policy [1304](#) - Outside Employment of Faculty and Administrative Staff. No binding commitments can be made nor remuneration provided until a PAR form has been submitted and approved by the appropriate administrative officials.
- c. The principal investigator will work directly with Grants and Contracts Financial Services for the financial management of the project. For specific information, the principal investigator should contact Grants and Contracts Financial Services after being notified of the award. Grants and Contracts Financial Services will provide the principal investigator with the internal budget form.
- d. Upon receipt of the approved Internal Budget Form, Grants and Contracts Financial Services will establish a post-award fiscal project file, create an account in the Financial Accounting System, provide monthly expenditure/budget printouts to be used by the principal investigator for making financial decisions related to the sponsored project. Grants and Contracts Financial Services will monitor financial activity of the sponsored project.
- e. All budget revisions must be prepared on the Request for Budget Revision Form, secured from Grants and Contracts Financial Services, and routed through the same offices originally specified on the Internal Budget Form.
- f. If an internal budget covers more than one fiscal year, any continuing or unencumbered balance will be carried forward from one fiscal year to another. The principal investigator will submit effort reports, invoices for payment, reimbursement requests, grantor-required fiscal reports, and other financially related documents through the appropriate offices, to Grants and Contracts Financial Services, for review and distribution on a

timely basis. Post-award non-fiscal reporting is facilitated through the Office of Sponsored Programs.

- g. At the close of a project, unexpended funds will be disposed of according to the provisions of the terms and conditions of the sponsoring agency. If provisions have not been made, Grants and Contracts Financial Services will contact the grantor by letter to determine proper disposition.
- h. Specific Office of Human Resources requirements are found in the following policies and procedures:
  - [1107](#) – Intellectual Property
  - [1304](#) – Outside Employment of Faculty and Staff
  - [2101](#) – Faculty Selection and Hiring Procedures
  - [2202](#) – Institutional Care and Use of Laboratory Animals
  - [Personnel Action Request Form Procedures](#)

## 7. RESPONSIBILITIES

The Office of Sponsored Programs provides the state-mandated central review process for all external funding requests, adhering to regulations set by the federal government, the Commonwealth of Virginia and the university. The Office of Sponsored Programs serves the university as the administrative voice in the negotiation and acceptance of all grants and contracts and subsequent modifications. The Office of Sponsored Programs is responsible for the following in addition to performing other duties as directed by the Vice President for Research, Economic Development and Innovation (REDI):

- Disseminating information relating to external funding
- Maintaining appropriate records
- Promoting university-sponsored programs by monitoring related faculty and staff activities
- Serving as the liaison office for sponsored programs

Academic unit heads, deans and directors are responsible for reviewing, approving, monitoring and supporting projects of interest to their divisions and areas of responsibility. Only those individuals designated by the president as signatory authority for all sponsored programs administered through the university are empowered to sign documents on behalf of the institution. Those individuals currently authorized to sign proposals and accept grants and contracts on behalf of the university are the assistant vice president for academic resources and the director of the Office of Sponsored Programs in specific instances. The university is not committed to accept awards resulting from the submission of proposals not authorized by the institution.

The principal investigator or project director is responsible for conducting the project in accordance with institutional policies, submission guidelines from the agency and federal circulars A-21 and A-110 under the terms of the grant or contract. Any arrangements with the grantor for any major changes in the original agreement must be made through the appropriate offices in conjunction with the Office of Sponsored Programs. The principal investigator must have the technical competence and substantive capabilities to carry out a sponsored project. Therefore, the principal investigator or project director is responsible for preparing the Internal

Budget Form and coordinating matters of financial activity, personnel and position changes with the proper university departments.

The Office of Media Relations is responsible for releasing all external publicity on sponsored programs, projects, grants and contracts.

The Grants and Contracts Financial Services Office is responsible for the following:

- Creating an account in the financial accounting system
- Establishing a post award grant file
- Monitoring the financial activity of the sponsored project
- Providing monthly expenditure/budget printout.

All departments, offices and employees that generate, receive, or maintain public records under the terms of this policy are also responsible for compliance with Policy [1109](#) – Records Management.

## **8. SANCTIONS**

Failure to follow this policy may result in disciplinary action up to and including dismissal from employment.

## **9. EXCLUSIONS**

Employees applying for external funding for purely private projects that do not in any way involve James Madison University or any of its resources need not follow these procedures. For further clarification, review JMU Policy [1106](#) – Conflict of Interests.

## **10. INTERPRETATION**

The authority to interpret this policy rests with the president and is generally delegated to the Vice President for Research, Economic Development and Innovation.

**Approved: February, 2004**  
**Dr. Linwood H. Rose, President**

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**Appendices**

Form 1 – [Internal Approval Form](#)

Form 2 - [Cost Sharing Request Form](#)

See “Forms” available at <http://www.jmu.edu/sponsprog>

Proposal assistance available from OSP at

<http://www.jmu.edu/sponsprog/ProposalPrepGuide.doc>