

Department Head's Guide
to the
Proposal Routing Sheet

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The *Department Head's Guide to the Proposal Routing Sheet* provides useful information about the administrative review of a research proposal. The data presented on the routing sheet is used by approvers in reviewing the proposal and is stored in the Vice President for Research database (SPINS) for statistical reporting.

The data elements, as taken in order or appearance on the routing sheet:

Principal Investigator

The principal investigator of a sponsored project is the individual who bears primary responsibility for technical compliance, completion of programmatic work, fiscal stewardship of sponsored funds, and compliance with administrative requirements of the project. Department heads or directors determine eligibility for those who may serve as principal investigator within their departments or units, consistent with the eligibility requirements of the sponsor. Considerations include, but are not limited to: type of appointment, level of education, technical competence in the field of study, and time availability.

For obvious reasons, the percent effort devoted to the proposed project must be greater than 0%. The department head agrees to adjust the investigator's workload, if necessary, if the project is awarded. The academic unit must have a mechanism in place to ensure that an investigator is not committed over 100%.

Signature on the Proposal Routing Sheet for the Principal Investigator may not be delegated.

Co-Investigators

Co-investigators share responsibility with the Principal Investigator for technical compliance, completion of programmatic work, fiscal stewardship of sponsored funds, and compliance with administrative requirements of the project. The same considerations for Principal Investigator apply to Co-Investigators. Signature on the Proposal Routing Sheet for the Co-Investigators may not be delegated.

Collaborators

Collaborators are University or non-University faculty, assuming responsibility for a narrowly-defined task of the project. Collaborators are not responsible for the programmatic aspects of the project as a whole. Level of effort is not reported on the application. The sponsor may require a signed "Letter of Collaboration" to be submitted with the application. Collaborators' signatures are not required on the Proposal Routing Sheet.

Administering Department Name, Administering Department #, Fax #

The department administering the project may be different than the principal investigator's department of academic appointment. This data field will be brought forward to the FRS accounting system; FRS reports will be sent to the "Administering Department" listed here. See the reverse of the routing sheet for distribution of credit for the award and distribution of indirect costs.

Departmental Contact, UA Phone #, E-mail Address

Sponsored Projects will contact this person with questions about the proposal and award.

Title of Proposal

The purpose of the project must be consistent with the mission of the University, the college, and the academic unit. The title should match that submitted to the sponsoring agency.

Sponsor

The investigator(s) and department head must be aware of apparent, potential, or actual conflicts-of-interest. A conflict of interest exists when a significant financial interest could directly and significantly affect the design, conduct, or reporting of funded research. Investigator(s) financial interest in the sponsor, private consulting arrangements with the sponsor, and other relationships with the sponsor may indicate a conflict-of-interest. For more information, refer to the UA Conflict of Interest Policy:

http://vpr2.admin.arizona.edu/rie/conflict_of_interest.htm

Total Amount Requested

This amount is the total budget requested, including direct and indirect costs. A new Proposal Routing Sheet is required if the amount of the award is significantly greater than requested. If the amount awarded is significantly lower than requested, the Principal Investigator must consider whether the original scope of work can be met on the reduced budget. Either additional funding must be identified or the University and sponsor must agree on a reduced scope of work before Sponsored Projects will accept the award. If the budget reduction is so significant that the sponsor requires a revised budget, then the investigator must also submit a revised Proposal Routing Sheet.

Proposed Start Date/Proposed End Date

The approvals on the Proposal Routing Sheet "expire" on the proposed end date. A new fully-signed Proposal Routing Sheet is required if the award end date extends beyond the Proposed End Date. A new routing sheet is not required, however, for a postaward no-cost extension.

Proposal Type

Indication of new, continuation, supplement, revision, or competing renewal defines the assignment of the SPINS proposal number and signals the accountant to set up the award in the same or a new FRS account.

Project Type

The indirect cost rate should be consistent with the classification of the project as research, instruction, public service, clinical trial, or research training. This data field is used to report statistics for proposals and awards.

<u>Research:</u>	activities intended to produce creation of knowledge, organization of knowledge, and/or application of knowledge
<u>Instruction:</u>	activities intended to elicit educational change in a learner or group of learners
<u>Public Service:</u>	activities other than research or instruction, responding to a community need or solving a community problem
<u>Clinical Trial:</u>	Federal and non-federally sponsored clinical trials meeting the University definition of clinical trial
<u>Research Training:</u>	training grants and fellowships involving the training of individuals in research techniques, conducted in the same facilities as other research activities

Applicable Indirect Cost Rate

The University expects the project to be funded at the full indirect cost rate. An exception is made for nonprofit and federal sponsors whose indirect cost rates are “stipulated” in their bylaws at a lower rate. A copy of the stipulation should be included with the proposal. Clinical trials that meet the University of Arizona definition are pre-approved at 20% TDC. All other proposed projects budgeted at less than the full indirect cost rate require the approval of the Department Head, Dean, and Vice President for Research. Requests for approval of a reduced indirect cost rate must include a signed Proposal Routing Sheet, budget, abstract, and a justification for the reduced rate, explaining the benefit to the University for accepting the project at the reduced rate. Improving the competitive advantage of the project, sponsor funding limitations, or worthiness of the project are examples of unacceptable justifications for a reduced indirect cost rate. All sponsored projects are worthy endeavors and serve to further the University’s mission. The justification for a reduced indirect cost rate must go beyond this argument. Seed money for a pilot, student support, and curriculum development are examples of projects for which a reduced indirect cost rate may be justified because these are activities that the University would fund, even without the sponsor’s support.

The off-campus rate is applicable to those projects conducted in facilities not owned or leased by the University. However, if the project is conducted in leased space and lease costs are directly charged to the project, then the off-campus

rate must be used. A project is considered off-campus if more than 50% of its salaries and wages are incurred at an off-campus facility. The on or off-campus indirect cost rate should be consistent with the answer to the question, "Where will the project be conducted?" If a project is determined to be off-campus, it shall be considered wholly off-campus. Separate on- and off-campus rates will not be used for a single project.

The "modified total direct cost" (MTDC) base consists of all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Equipment, capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from modified total direct costs.

The UA negotiated Rate Agreement can be found on the Sponsored Projects web page: <http://vpr2.admin.arizona.edu/sps/index.html>

Space Requirements

Arrangements must be made in advance if additional space or space renovation is needed for the project. Complete a Space Request Form and forward to the Space Management Office. The form is available at Space Management 621-1813.

Program Income

Some applications require a description and estimate of expected program income. Program income refers to income generated by activities of a project, where part or all of the cost of the activity is either borne as a direct cost of the grant or counted as a direct cost towards meeting a cost sharing or matching requirement of a grant. Examples of program income include: collection of fees for services performed during the grant, proceeds from the sale of property (e.g., tee shirts, instruction materials), usage or rental fees, and conference fees. There are several options for the accounting treatment of program income. The award document will identify which option applies to the project. Sponsored Projects will set up a separate University account for the program income. Program income revenue may not be deposited at the UA Foundation or any other account outside the University.

Electronically Submitted Proposals

Electronically-submitted proposals require a paper Proposal Routing Sheet. Sponsored Projects will "match" the electronic proposal with the fully-signed paper routing sheet before electronically submitting the proposal to the sponsor. Investigators must allow for heavy Internet traffic on proposal deadlines and plan accordingly. Information on electronic proposal submission systems is available on the Sponsored Projects web site. For new electronic submission systems, please contact Sponsored Projects prior to starting the proposal so Preaward staff can review the new system.

Fabrication of Equipment

Costs associated with fabrication of equipment should be broken out separately from the main budget. Even though the end product is classified as capital, the costs comprising the fabricated equipment are charged to the appropriate category for the cost. Labor, shop time, services from independent contractors, raw materials (lumber, glass, tubing, sand) supplies, and other costs incurred in the fabrication of equipment are charged to the appropriate cost categories of personnel and operations. Indirect costs are charged on personnel and operations at the project indirect cost rate. Parts meeting the University definition of capital, whether purchased from an off-campus vendor or from an on-campus shop, are charged to the equipment category and do not bear overhead.

Reference: *Property Management Policies & Procedures Manual, Section 5.10.*

Cost-Sharing/Matching

The University's participation in funding the costs of a project is referred to as "cost sharing," expressed as (1) percentage of the principal investigator's level of effort, (2) number of hours of the principal investigator's time, (3) percentage of total sponsor-funded costs, or (4) an absolute dollar amount. Proposals should include cost sharing only to the extent required by the program. Some investigators promise generous amounts of cost sharing, believing that they will improve the competitive advantage of their proposals. **The department head should evaluate the reasonableness of the cost sharing requirement in relation to the value of the project to the University and the benefit to the sponsor.** For example, the University would not normally share the costs of a contract for deliverables. If an award is made on the basis of a proposal that includes excess cost sharing, the proposed cost sharing in excess of the required amount becomes a legal obligation. After the award, failure to deliver the promised cost sharing may cause the sponsor to demand a refund for the unmet cost sharing and may constitute a violation of the terms of the award so serious as to provide grounds for debarment or suspension.

Usually, the University meets its cost sharing requirement by contributing direct labor and associated fringe benefits, plus indirect costs. On proposal budgets, the promised contribution of level of effort must be consistent with the cost sharing amount. The budget period for most sponsored projects is twelve months. Unless otherwise indicated, the assumption is that the contributed percentage of level of effort applies to the twelve month budget period. If the contributed effort applies to the academic period only, the budget line item should be clearly stated as "academic period." An investigator's total level of effort may not exceed 100%.

For projects awarded at less than the negotiated indirect cost rate, the University may include the difference between the negotiated and the awarded indirect cost rate as cost sharing, with the sponsor's prior approval.

Out-of-state **tuition waivers** for graduate research assistants may not be shown as a cost sharing item in the budget. Tuition waivers do not meet the standards for "cost basis" and are not verifiable in the University financial records; therefore, tuition waivers do not qualify as cost sharing under OMB Circular A-110. Tuition

waivers may be displayed as a footnote to the budget or mentioned in the narrative.

The **source of funding** for the proposed cost sharing should be identified before the proposal is routed. Unrestricted funds, such as State funds, indirect cost funds, gift funds, and unexpended fixed-price funds are acceptable sources of funding for cost sharing. Federal and most other sponsored projects are not acceptable sources of cost sharing. If the Vice President for Research is expected to be the source for the matching funds, then arrangements must be made with the Research Office before routing the proposal, and the Proposal Routing Sheet should clearly indicate Research Office approval of the funding arrangements.

Involvements Not Requiring Signature

Project activity will not be allowed without approval of protocol and required training for projects involving animal subjects, human subjects, good laboratory practices, and radiation.

Involvements Requiring Signature

American Indian Affairs, Cancer Center Facilities, and Recombinant DNA/Microbial Pathogen require the appropriate signatures before Sponsored Projects will approve the proposal.

Certification and Signatures

The application must be accurate and factual. Misrepresentation on a Federal application is a criminal offense.

The **principal and co-investigators** take on a great deal of responsibility when proposing a project on behalf of the University. The University requires the principal and co-investigators to personally sign the Proposal Routing Sheet. Signature authority may not be delegated to the unit research administrator.

By signing the Proposal Routing Sheet, the **Department Head** certifies that the principal and co-investigators, to the best of the department head's knowledge, are competent and capable of carrying out the proposed project, and that, when the project is funded, the investigators' responsibilities within the department will be adjusted so that the investigators can commit the required effort to the project. The department head's signature on the routing sheet signifies that space and facilities are available for the project should the proposal be funded. If awarded, the department head will commit necessary administrative support to the project. The department head will determine whether the project is consistent with the mission of the department, college, and the University. The departmental review includes a review of the budget for accuracy, reasonableness, presentation, and consistency with policy for direct-charging administrative costs. The department head may apply other control checks or impose other requirements as necessary. All department heads involved in a proposed project must sign the Proposal Routing Sheet. Department heads may delegate signature authority to a designee.

By signing the Proposal Routing Sheet, the Dean or Director of the college or program certifies that the required resources will be available and that the

department is capable of carrying out the proposed project. The dean or director will determine whether the project is consistent with the mission of the college and the University. The dean may apply other control checks or impose other requirements as necessary.

Level of Effort

The PI/Co-PI's level of effort on the Proposal Routing Sheet should be reasonable for the scope of work, and consistent with the effort presented in the proposal to the sponsoring agency. Per cent effort should be expressed as a portion of the PI/Co-PI's total commitments at the University of Arizona, including research, instruction, public service, administration, and other.

Distribution for Credit

For projects with more than one principal investigator and/or more than one department, credit for the award will be distributed according to the reverse side of the Proposal Routing Sheet. The Vice President for Research uses this data for the *Profile* publication and other reports of awards. If left blank, 100% of the credit for the award will go to the first investigator and department appearing on the Proposal Routing Sheet. Do not confuse this section with investigators' level of effort -- percent level of effort is not relevant to this section.

Allocation of Indirect Cost Revenue

For projects involving more than one department, indirect cost revenue will be allocated according to the reverse side of the Proposal Routing Sheet. If left blank, 100% of the indirect cost revenue will be allocated to the college associated with the first investigator appearing on the Proposal Routing Sheet. Do not confuse this section with investigators' level of effort -- percent level of effort is not relevant to this section.

Abstract, Budget, and Budget Justification

An abstract describing the project in non-technical language is required as part of the proposal package. Sponsored Projects will look for reasonableness and comparability with other aspects of the proposal, e.g., human subjects, fabrication of equipment, subcontracting.

Cost accounting standards require consistency in the treatment of direct and indirect cost budget lines across all sponsored projects. The Federal government does not permit direct charging of costs normally treated as administrative costs to federal grants and contracts, other than in exceptional circumstances where the costs are explicitly budgeted for and justified in the budget justification. Examples of costs normally treated as administrative costs include: salaries of administrative and clerical staff, office supplies, postage, local telephone costs, and membership dues. (By University policy, local telephone costs may not be charged to Federal projects under any circumstances.) If an investigator wishes to charge administrative costs to the project, the proposal budget must include a detailed line item for each administrative cost. "Other research costs" is not explicit enough. The budget justification must provide a description of the purpose for the administrative cost and an explanation of the benefit to the

project. The strength of the justification for the costs will be a determining factor for a sponsoring agency considering a request to include administrative costs in the award budget. Reference: OMB Circular A-21, Section F.6.b and UA Policy "Direct and Indirect Costs of Sponsored Agreements"

The salary rates, fringe benefit rates, indirect cost rates, per diem rates, air fares, consultant fees, equipment items, etc., must be based on actual rates or quotes. Inflation factors for out-years may be used, but must be disclosed in the proposal. Subcontractors must submit a proposed budget as supporting documentation of the subcontract budget line item.

Sponsored Projects does not maintain a file copy of the complete proposal—only the budget, budget justification, and abstract. However, the department head may require the complete proposal for the review process. The principal investigator is responsible for maintaining a copy of the complete proposal, with the understanding that the proposal is accessible to the Vice President for Research.

Fax Budget to Sponsored Projects 626-4130

It will significantly expedite the proposal routing process if the principal investigator completes the budget portion of the proposal before completing the narrative portion. As soon as the budget is finished, the principal investigator should fax (626-4130) a package to Sponsored Projects consisting of the abstract, budget, a completed but unsigned Proposal Routing Sheet, Application page (if any), and the HHS indirect calculation checklist (if applicable). Sponsored Projects will review the budget, make corrections and other notes, and return the corrected budget to the investigator by fax. With advance fax review, the Sponsored Projects administrator will sign the routing sheet without rechecking the budget when the proposal is routed for signature (assuming all necessary corrections have been made). This is a great time saver for those who are routing their proposals at the last minute.

Routing the Proposal to Sponsored Projects Services

The proposal package submitted to Sponsored Projects includes:

1. Original Proposal Routing Sheet with appropriate signatures in place (will be kept in Sponsored Projects with a copy to the Principal Investigator)
2. Original Application Page or Title Page (will be returned to investigator with a copy to Sponsored Projects)
3. Copy of Abstract (will be kept in Sponsored Projects)
4. Copy of Budget (will be kept in Sponsored Projects)
5. Copy of Budget Justification (will be kept in Sponsored Projects)

Mailing the Proposal

The principal investigator is responsible for duplicating and mailing the proposal to the sponsor. It is important to note whether the due date for the proposal is the date of postmark or date received at the sponsoring agency.

Additional Resources

Sponsored Projects Web Page: <http://vpr2.admin.arizona.edu/sps/index.html>

VPR Web Page: <http://vpr2.admin.arizona.edu/>

UA Research Policies: <http://w3.arizona.edu/~policy/research.shtml>

Handbook for Principal Investigators

Sponsored Projects Services: (520) 626-6000

Summary of Responsibilities for the Principal Investigator

- keep track of pending support
- keep track of available and committed FTE
- propose budget based on actual costs
- identify source of funding for matching or cost sharing
- arrange for additional laboratory space, if necessary
- disclose conflict-of-interest, if appropriate
- coordinate special approvals-DNA, radiation safety, hazardous waste, human subjects, animal subjects
- route proposal through the administrative process
- prepare, assemble, duplicate, and mail proposal
- maintain an accessible file copy of the complete proposal