

VIRGINIA MILITARY INSTITUTE
Lexington, Virginia

GENERAL ORDER)
NUMBER 12)

23 August 2016

**SPONSORED PROGRAMS POLICY:
PRE-AWARD/POST-AWARD PROCEDURES**

I. PURPOSE

The goal of obtaining grants to support sponsored programs is to improve the quality of education at the Institute. Activities associated with such grants enhance the Institute's academic reputation, provide faculty members with opportunities to work creatively in their fields of interest, allow faculty to mentor undergraduates, and enhance research and other educational opportunities for students. These activities also assist the Institute in attracting excellent faculty and students.

This policy provides procedures for Institute Members 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 Institute.

II. AUTHORITY

The Virginia Military Institute Board of Visitors is authorized to establish policy for the Institute. In cases where the board has not exercised that authority, it is delegated to the Superintendent.

III. DEFINITIONS

- A. **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.
- B. **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.
- C. **Cost Sharing:** The portion of the total project costs of any sponsored agreement that is not provided by the sponsor.
- D. **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.
- E. **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.

- F. **Facilities and Administrative (F&A) Rate Agreement (Indirect Costs):** A negotiated agreement with the Office of Naval Research. The rates shall be applied consistently to all applicable sponsored-program activity at the Institute, including all federal, nonfederal and industrial sponsors unless the Sponsoring/Funding Agency's policies require an exception. All exceptions to the application of the F&A Rate Agreement shall be approved by the Associate Dean for Academic Administration & Planning.
- G. **Gift:** Any item of value, including funding support, given to the Institute by a donor who expects nothing of significant value in return other than recognition and disposition of the gift in accordance with the donor's wishes. In general, there are no contractual requirements or deliverables associated with a gift; however, the gift may be accompanied by an agreement that restricts use of the gift for a particular purpose. A gift is irrevocable, and while the gift may be intended for use within a certain timeframe, there is no specific period of performance or start and stop dates. There is no formal, fiscal accountability to the donor; however, the VMI Foundation may provide the donor with periodic updates. These updates are provided in the interests of good stewardship and are not considered contractual obligations or deliverables.
- H. **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.
- I. **In Kind:** Contributions or assistance in a form other than money, such as equipment, materials or services of recognized values.
- J. **Institute Member:** All Virginia Military Institute full- and part-time faculty, classified employees, administrative staff, paid student assistants, students, volunteers, fellows and trainees. Visiting faculty and researchers are considered Institute Members for purposes of this Policy, and are subject to its terms.
- K. **Principal Investigator/Project Director:** 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.
- L. **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 Institute to perform the activities specified and contains all information necessary to describe project plans, staff capabilities and funds requested. The Institute's review and approval process assures compliance with both sponsor and Institute policies.
- M. **Sponsored Programs:** Projects or programs that are conducted by Institute Member(s) and supported — fully or in part — by external restricted funding awarded to the Institute. Sponsored programs may be research, instructional, or service in nature. In all sponsored programs, the Institute

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 Institute Member(s). In the case of a grant, these obligations are based on the project description developed jointly by the sponsor and the Institute Member(s).

- N. **Sponsor/Funding Agency:** Any agency outside the Institute who supplies funds or facilities for research to be conducted by Institute Members pursuant to a written agreement with the Institute.
- O. **Total Direct Costs:** The total of all direct costs of a project.
- P. **Total Project Costs:** The total allowable direct and indirect costs incurred by the institution to carry out an approved project or activity.

IV. APPLICABILITY

This policy shall apply to all Institute Members.

V. ADMINISTRATION OF THE POLICY

The Associate Dean for Academic Administration & Planning (ADAAP) is assigned as the Superintendent's designee responsible for the administration of this policy.

VI. POLICY

A sponsored program is an award from an external source (the "sponsor") for an agreed upon purpose in which the Institute has sufficient custodial responsibility over the program to warrant unique administrative accountability. The sponsored program is established by an agreement, usually called a contract, cooperative agreement, grant, purchase order or other document decided upon between the Institute and the sponsor. Sponsored programs are undertaken to augment institutional resources to enhance the Institute'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. Gifts are not generally considered sponsored programs and are managed by the VMI Foundation. However, the Sponsored Programs Administrator (SPA) shall be consulted prior to submitting any proposal to an external funding agency to determine if the proposal should be categorized as a gift proposal or as a sponsored program proposal and processed accordingly.

The proposal serves as the primary document upon which the Institute 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 to the Principal Investigator/Project Director (PI/PD); therefore, institutional approval and involvement is required.

The proposal specifies the obligation of the PI/PD to perform services, the Institute to provide facilities and services, and the sponsor to provide support.

Institute Members who plan to submit a proposal to an outside sponsor must have the preliminary approval of their Department Head before contacting the SPA to obtain the necessary forms to begin the formal process of submitting a sponsored program proposal.

All external publicity on grants and contracts is to be verified with the SPA prior to release through the VMI Office of Communications and Marketing.

VII. PROCEDURES

A. 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 Institute 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 SPA for formal Institute approval and signature before they are submitted to external sponsors (See Appendix A). The SPA 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 Institute Member who will be in charge of the program under the direction of their respective Department Head.

All proposals soliciting external support — whether from federal, private or state agencies — call for some commitment of institutional resources. Therefore, the Proposal Approval Form (PAF) must be prepared and submitted by the PI/PD with the approval of their respective Department Head. 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 PI/PD must obtain approval of the cost-sharing plan from the ADAAP prior to the formal submission of the proposal.

Approval from those responsible for the administration of all Institute resources to be used in the performance of the proposed project must be obtained prior to the formal submission of the proposal.

Proposal formats vary with the sponsor from informal letters to formally bound presentations including appendices and documentation. Most sponsors provide formats of their own while others may indicate only the information required in

broad terms. In the absence of specific criteria, the following items should normally be included:

1. Purpose and scope of the proposed research including its relevance and supporting references;
2. Professional qualifications of the project personnel;
3. Description of, the Institute, the Virginia Military Institute Research Laboratories (VMIRL) and their interrelation, as well as available facilities to support the project;
4. Equipment to be furnished by sponsor, bought under the grant or contract, and provisions for transfer to the Institute at the conclusion of the grant;
5. Budget broken down by expenditure categories for each year if it spans more than 12 months;
6. Explanations for budget items such as:
 - a. Salary computation method (It is most important that the concept of salary supplement be explained.);
 - b. Overhead documentation;
 - c. Travel policy;
 - d. Direct charges for social security, unemployment, report reproduction, etc.
7. Signature page.

B. Steps for Proposal Development and Pre-Award

Institute Members who wish to pursue sponsored programs should receive preliminary approval and support for the project from their Department Head before writing a proposal. 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 SPA.

PI/PD's who plan to submit a proposal involving the use of human subjects or vertebrate animals are required to have the Human Subjects and Animal Use Committee review the proposal prior to submitting the proposal to the SPA. In such cases, the PI/PD will inform the SPA of the need for this review; the SPA will coordinate the review process with the Human Subjects and Animal Use Committee. Proposals involving the use of human subjects or vertebrate animals are not to be submitted to the target agency until the Human Subjects and Animal Use Committee has conducted its review.

The PI/PD should contact the SPA 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 PI/PD should verify equipment estimates with the appropriate vendor.

Once the proposal has been drafted, the Institute Member submitting the proposal must complete a Proposal Approval Form (PAF), which shall be routed through the

appropriate channels. A PAF must be completed for every proposal that is submitted by Institute Members to external funding agencies. The PAF provides Institute officials, who are responsible for the approval, management and administration of sponsored programs, with information on where to submit the proposal, and it identifies what compliance issues exist and what Institutional resources are required for the project. The Institute Member serving as PI/PD for the project is responsible for completing the PAF and, by signing it, accepts full responsibility for the project. The PAF along with the proposal must be submitted to the following individuals for review or approval:

1. **Department Head.** The PI/PD's Department Head approves the PI/PD's participation in the project, and ensures that the time requirements of the project do not exceed the guidelines for "Professional Activity" as prescribed in the Faculty Handbook. The Department Head should also determine whether or not the proposed work is appropriate and consistent with the Department's mission, and whether or not the PI/PD's participation in the project will create an unacceptable burden on the Department's personnel and other resources.
2. **Sponsored Programs Administrator.** The SPA reviews the proposal against the program solicitation, to ensure that it is responsive to the sponsor's needs, and reviews budget calculations for correctness. The SPA will also ensure that all Institute departments/offices that are involved in, or that will be affected by the proposed project, have approved the proposal.
3. **VMIRL Contractual Officer.** The VMIRL Contractual Officer will review the program solicitation to ensure that submission of the proposal does not obligate the Institute/VMIRL to any terms and conditions associated with the grant that may be problematic for the Institute/VMIRL. He/she will not approve submission of the proposal unless the terms and conditions are acceptable. If the terms and conditions are not acceptable, he/she will attempt to negotiate acceptable terms and conditions with the sponsor, and he/she will approve the proposal only if an agreement with the sponsor can be reached on the terms and conditions. He/she will also review the project budget to ensure it is correct, and that it has been developed in accordance with the policies of the sponsor and of the VMIRL.
4. **Director of Research.** The Director of Research, who shares a joint appointment by the Institute and the VMIRL, approves the project as being an appropriate use of Institute personnel and resources. His/her approval also implies that VMIRL is willing to administer that grant in the event that it is approved for funding by the sponsor.
5. **Associate Dean for Academic Administration & Planning.** If a proposal will commit the Institute to cost sharing, the AADAP should be consulted early and often in the proposal drafting period to ensure that cost sharing is possible. The ADAAP's signature on the PAF should only be a formality for approving a cost sharing plan that has previously been developed with his/her guidance. The ADAAP also serves as the final approval authority, and his/her approval obligates the Institute to perform the proposed project in the event the proposal is selected by the sponsor for funding.

PI/PD's are advised to complete their proposals, and begin routing the PAF **at least** two weeks prior to the last date upon which the proposal can be submitted to the sponsor. PI/PD's are encouraged to provide advance, electronic copies of the solicitation and the proposal to the appropriate Institute officials in order to expedite the review/approval process. Once the PAF/proposal have been approved by the above listed Institute officials, the SPA will submit the proposal to the sponsor in accordance with submission instructions provided by the sponsor.

C. Procedures for Project Management Post-Award

All sponsored programs, unless prohibited by the sponsor, shall be administered by the VMIRL. Policies and procedures for the administration of these sponsored programs shall be in accordance with the VMIRL Policies and Procedures manual.

All funds received for sponsored programs that cannot be administered by the VMIRL are under the fiscal control of the Deputy Superintendent (Finance, Administration & Support), and will be administered in accordance with this policy. These funds must be receipted and disbursed in accordance with Institute policy, state and federal law, and sponsored programs' restrictions (including federal OMB circulars A-89 and A-133, and 2 CFR Parts 215 and 220).

Full-time faculty members and employees may be paid for additional services performed under grant auspices. However, to the extent that sponsored research is performed as part of a course in the curriculum of cadets, faculty may not receive supplementary pay for those hours which are included in the departmental load study.

The PI/PD will work directly with the Comptroller's Office for the financial management of the project. For specific information, the PI/PD should contact the Comptroller's Office after being notified of the award. A copy of the award letter, along with any other information from the sponsor documenting the purposes for which the award can be used, should be forwarded to the Comptroller's Office. From this information, an account will be created in Colleague and a project file established.

The PI/PD will provide the Budget Officer with a copy of their proposed project budget in order for a budget to be established in the project account previously created by the Comptroller's Office. The Comptroller's Office will provide monthly expenditure/budget printouts to be used by the PI/PD for making financial decisions related to the sponsored project. The Comptroller's Office will also monitor financial activity of the sponsored project.

All budget revisions must be forwarded to the Budget Officer in order for the project account in Colleague to be modified

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 PI/PD will submit effort reports, invoices for payment, reimbursement requests, grantor-required fiscal reports, and other financially related documents through the appropriate offices, to the Comptroller's Office, for review and distribution on a timely basis. Post-award non-fiscal reporting is facilitated through the SPA.

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, the Bursar will contact the grantor by letter to determine proper disposition.

VIII. RESPONSIBILITIES

The procedures set forth in this policy provide 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 Institute. The SPA serves the Institute as the administrative voice in the negotiation and acceptance of all sponsored program grants and contracts and subsequent modifications. The SPA is responsible for the following in addition to performing other duties as directed by the ADAAP:

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

Department Heads are responsible for reviewing, approving, monitoring and supporting projects of interest in areas of responsibility. Only those individuals designated by the Superintendent as signatory authority for all sponsored programs administered through the Institute are empowered to sign documents on behalf of the Institute. Those individuals currently authorized to sign proposals and accept grants and contracts on behalf of the Institute are the ADAAP and the Director of Purchasing & Disbursements. The Institute is not committed to accept awards resulting from the submission of proposals not authorized by the Institute.

The PI/PD is responsible for conducting the project in accordance with institutional policies, submission guidelines from the agency and federal guidelines provided in 2 CFR Parts 215 and 220 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 Director of Purchasing & Disbursements and the SPA. The PI/PD must have the technical competence and substantive capabilities to carry out a sponsored project. Therefore, the PI/PD is responsible for preparing the project budget and coordinating matters of financial activity, personnel and position changes with the proper Institute departments.

The VMI Office Communications and Marketing is responsible for releasing all external publicity on sponsored programs, projects, grants and contracts.

The Comptroller's 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 printouts

IX. SANCTIONS

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

X. EXCLUSIONS

Employees applying for external funding for purely private projects that do not in any way involve the Virginia Military Institute or any of its resources need not follow these procedures.

XI. INTERPRETATION

The authority to interpret this policy rests with the Superintendent and is generally delegated to the Associate Dean for Academic Administration and Planning.

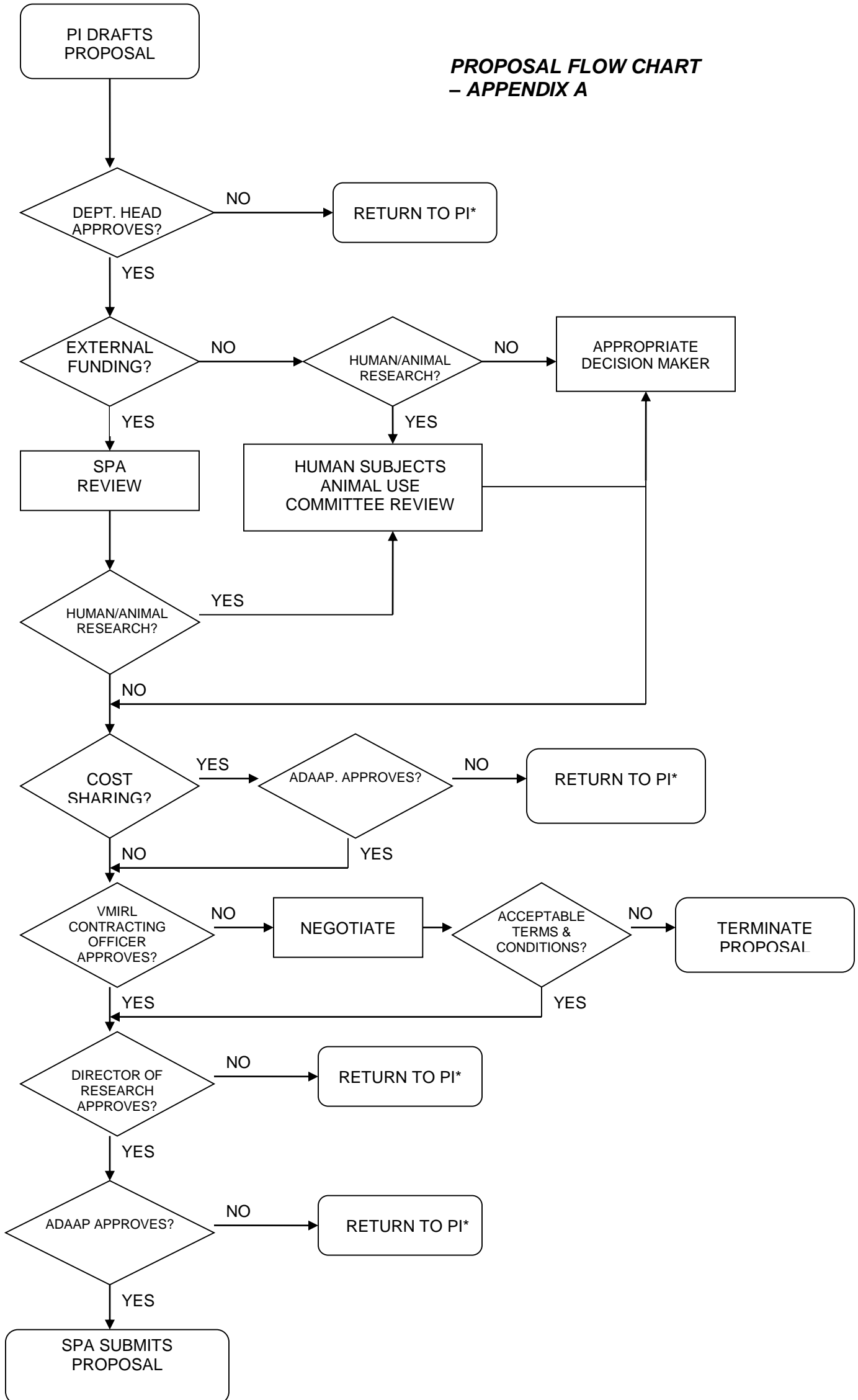
FOR THE SUPERINTENDENT:

James P. Inman
Colonel, US Army (Retired)
Chief of Staff

DIST: E, Cadets

Appendix A – Proposal Review Process Flowchart
Appendix B – Proposal Approval Form

**PROPOSAL FLOW CHART
- APPENDIX A**



* If the proposal is returned to the PI due to disapproval by one of the required approval authorities, the PI can either revise/resubmit the proposal, or appeal the decision to the Research Committee.

APPENDIX B VMI- VMIRL PROPOSAL APPROVAL FORM		Sponsored Programs Office Use Proposal No. _____
PERSONNEL		
Principal Investigator/Project Director:		Department
Telephone:	E-mail:	
PROPOSAL DATA		
Proposal Title:		
URL for Solicitation, Announcement, RFP, etc. to which this proposal is responding to (if applicable): http:// _____ note: If not web-accessible, please attach a hard-copy of the document.		
Proposed performance period:	to	Funding requested: \$
Date by which proposal must be received by Sponsor:		
This proposal involves the following (check all, if any, that apply):		
<input type="checkbox"/> Human Subjects	<input type="checkbox"/> Animals	<input type="checkbox"/> Radioactive/Hazardous Materials
<input type="checkbox"/> Cadets	<input type="checkbox"/> Collaboration with other institutions	<input type="checkbox"/> Cost sharing
SPONSOR DATA		
Address:		
City:	State:	Zip Code:
Name of Sponsor Point-of-Contact:		
Telephone:	E-mail:	
Does Sponsor pay indirect costs? <input type="checkbox"/> Yes <input type="checkbox"/> No		
SIGNATURES		
Submitted by: _____ Principal Investigator/Project Director		Date: _____
Reviewed by: _____ Sponsored Programs Administrator		Date: _____
Approved by: _____ Department Head		Date: _____
Approved by: _____ VMIRL Contractual Officer		Date: _____
Approved by: _____ VMI-VMIRL Director of Research		Date: _____
Approved by: _____ Associate Dean for Academic Administration & Planning		Date: _____