

# GRAND Forum

## Pre-Award Activity



Office of Sponsored Programs  
Sarah Furnish, Sponsored Programs Administrator III

# Solicitation Review Exercise

## International Proposals



## Case Study:

The Office of the Senior Vice President for Research and Innovation has assisted Dr. Crawley with identifying sources of funding for his seminal research entitled, “Avoiding the spread of starvation.” By looking at funding sources in <https://vprgs.msu.edu/find-funding> he has identified **The George and Ann Smith Foundation of Great Britain** as a potential sponsor.

Here is the solicitation. See if you can identify any potential “red flags.”



## Solicitation Discussion Points

- **Estimated Funding:** It is anticipated that approximately \$10 million will be available for new, renewal, and supplemental grants subject to FY 2019 funding availability. The amount of funding under this solicitation is a maximum of \$500,000 per year for two years.
- **Eligibility:** Limit one proposal per research institution.
- The **budget** must be written in English and monetary figures in British Pounds.
  - Prepare the budget in KC using US dollars – use OANDA to convert currency
  - Anticipate overall funding amount to fluctuate, either up or down according to the market
- **Format** – certain versions of Word and Excel
- **Salaries & Wages:** Provide daily rates for each position

# Solicitation Discussion Points

**Salaries & Wages:** Provide daily rates for each position

If a sponsor requires an hourly budget breakdown and the tracking of cost share/effort reporting on an hourly basis, we should include the following statement at the bottom of the budget:

“The hourly rates reflected above are being provided for informational and comparison purposes only. MSU does not maintain documentation of hours worked for its faculty and staff, with the exception of undergraduate students, but rather maintains documentation to support time expended on federally sponsored projects based on percentages of effort worked. This documentation is maintained in accordance with OMB 2 CFR Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

- To calculate an hourly rate, use the individual's base salary divided by:
  - 1,832 hours (229 days) for faculty with annual appointments (12 month or AN - 2,080 less vacation hrs 176 less holidays hrs 72)
  - 1,504 hours (188 days) for faculty with academic appointments (9 month or AY - 2,080 less holidays hrs 56 less summer hrs 520)
  - Full time staff appoints: use the applicable staff [union contract](#) average or 2,080 (260 days)

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- **Format** – certain versions of Word and Excel
- **Salaries & Wages:** Provide daily rates for each position
- **Travel** – must be in accordance to the foundations provisions
  - British per diem rates must be used as the test of reasonableness
  - PI required to travel to one conference
- **Overseas allowances** will be considered
- **Publications** – cannot be budgeted in application but can be paid from grant underspend

# Solicitation Discussion Points

- **Indemnity**

You agree to indemnify, defend and hold harmless the Foundation from and against any and all liability, loss, and expense (including reasonable attorneys' fees) or claims for injury or damages related to the performance of this project.

- **Intellectual Property**

The Selected Respondent must agree that (a) all Work Product (as defined in the Agreement) developed under the Agreement shall be either a “work owned by foundation” or a “work made for hire” for the foundation under Section 101 of Title 17 of the United States Code as it now stands or as later amended, and (b) the foundation will own the intellectual property created under the Agreement.

- **Publication Restriction**

All publicity releases or releases of reports, papers, articles, maps, or other documents in any way concerning this contract or the work hereunder which the Subrecipient or any of its subcontractors desires to make for purposes of publication in whole or in part, shall be subject to written approval by the Chief Procurement and Logistics Officer prior to release.

## International Budget – Overseas Allowances Exercise





## Overseas Allowances Overview:

Overseas allowances are intended for employees who are stationed overseas. Rates are set by the U.S Department of State and based on a percentage of income and the country of service. All allowances are not a guaranteed option and may depend on employment status.

The general types of allowances and benefits that impact MSU faculty and staff include:

- Cost of Living Allowances:
  - Post (Cost of Living), "COLA"
  - Education Allowance
- Recruitment and Retention Incentives:
  - Post Hardship Differential
  - Danger Pay Allowance (if applicable)
- Leave Benefits
  - Home Leave
  - Rest and Recuperation
- Quarters Allowances:
  - Living Quarters Allowance
  - Temporary Quarters Subsistence Allowance



## Overseas Allowance Exercise

- The PI on this proposal has an AN salary of \$100,000, 100% effort on the project and is married with one child.
  - a) List the allowances that may be applicable to this person
  - b) Calculate the Cost of Living Allowance (given the spendable income chart)



## Overseas Allowance Exercise Answers

- The PI on this proposal has an AY salary of \$100,000 and is married with one child.
  - a) List the allowances that may be applicable to this person
    - COLA
    - Education Allowance
    - Post (hardship) Differential
    - Danger Pay
    - Rest and recuperation
    - Living Quarters Allowance
    - Temporary Quarters
  - b) Calculate the Cost of Living Allowance (given the spendable income chart)



## Overseas Allowance Exercise Answers

- a) List the allowances that may be applicable to this person
  
- b) Calculate the Cost of Living Allowance (given the spendable income chart)
  - The first step in budgeting is to determine the “Annual Spendable Income”. The “Number of Persons in Family” is the number who will be residing at the post.
  - The second step is to determine the percentage of spendable income for the country using the table. (DSSR 220)
  - The total annual post allowance multiplies the spendable income with the post allowance percentage.
  - Example: Dr. Smith, her spouse and three children will be residing in Zambia. Dr. Smith’s annual salary totals \$126,000.
  - Spendable income based on family size and salary = \$58,800
  - Post allowance = 20%
  - Annual post allowance equals \$11,760
  - NOTE: Post allowances shall be computed and paid at annual rates, derived by the number of days in the calendar year to obtain a daily rate.



# Cost of Living Allowance Exercise Answer

Given: 100% effort, salary of \$100,000 and family of three

Annual Base Salary	Number of Persons in Family				
	One	Two	Three	Four	Five
139,000 and over	44700	50400	55900	58700	64300
132,000 - 138,999	42600	48000	53300	56000	61300
125,000 - 131,999	41300	46400	51600	54200	59300
118,000 - 124,999	39900	44900	49900	52400	57400
112,000 - 117,999	38600	43400	48200	50600	55400
106,000 - 111,999	37400	42000	46700	49000	53700
100,000 - 105,999	36000	40500	45000	47300	51700

Post Name	Cost of Living Allowance % of Spendable Income
Bamako	10
Other	10

Overseas Allowances - PI	Crawley	Rate	Effort		
Cost of Living	10% - 3 person family	10%	45000	100%	4500
					4,500

# Case Study

## Budget Review



## Budget Review

- Review the budget and solicitation you reviewed earlier.
- What F&A rate should be used? How did you determine?
- What expenses should be deducted from F&A?

## Budget Review

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## Budget Review

- What F&A rate should be used? How did you determine?

### **Off-Campus Determination**

To determine whether the on or off campus rate applies, review the budget categories to identify where the expenses will occur. The following budget categories are excluded from this analysis: equipment, space rent, subcontracts, and F&A. If the majority of the expenditures are incurred and/or used off-campus, then the off-campus rate applies to the full project.

## Budget Review

- What expenses should be deducted from F&A?



## Budget Review

- What expenses should be deducted from F&A?
  - ✓ Grad student tuition
  - ✓ Subaward first \$25,000
  - ✓ Office Rent
  - ✓ Equipment

# Award and Subaward Processing



Scenario - OSP receives the following email from the department:

Please issue a subaward agreement to Harvard University and a hardship account asap for the award to come from The George and Ann Smith Foundation of Great Britain.

The Contract Team member begins reviewing the information and finds that they do not have the required documents and information to process a subaward or hardship account.



What are some items that can be provided at proposal stage to speed up the processing of an award?



## What are some items that can be provided at proposal stage to speed up the processing of an award?

- Provide all subaward documentation (no TBD)
  - ✓ Budget
  - ✓ Budget Justification
  - ✓ SOW
  - ✓ Commitment Form
- Start the ECORRW



## What will be needed at award stage when issuing the subaward?

- Budget
- Budget Justification
- SOW
- Subrecipient Commitment Form
- Current Audit
- Advance request including payback terms (international only)
- Employee Biographical Data Form

# Questions?

See our International Tools Webpage for additional information:

<https://cga.msu.edu/PL/Portal/DocumentViewer.aspx?cga=aQBkAD0ANAAyADEA>

## Additional Information and Tools for International Projects

