



Sponsored Programs News

December 2011

The University of Tennessee, Knoxville Office of Research

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TERA-PAMS Training

Fri., Jan. 27, 2012
Fri. Mar. 30, 2012

To register, click on link:
<http://research.utk.edu/training/cal-tera.shtml>

A Message from the Director:



The Sponsored Programs News was very well received and we thank you for your comments and suggestions for future issues. Our goal with this newsletter is to provide our readers with beneficial information that will assist in proposal preparation and award administration. Please do not stop sending those suggestions, questions or comments.

In this issue of the newsletter Jennifer Webster provides information on calculating fringe benefits and using the actual rate instead of the estimated rate. Her article provides details on how to calculate the actual fringe benefit rate in IRIS. Also included is an article from Linnea Minnema on the differences between a New, Continuation and Non-Competing Continuation proposal. Read on and check out the Sponsor News section where we share the “NSF’s Career-Life Balance” and the “Use of Proprietary Information” articles. As you can see the Newsletter is full of information that will make putting together your next proposal much easier.

As the end of 2011 rapidly approaches, we want to take this opportunity to wish everyone a wonderful holiday season. We also want to thank everyone for your continual support in submitting your proposals on time and working with us as we continue to strive to increase our services. Early in 2012 we will be sending out a survey that we encourage all of you to complete. The survey will allow you to evaluate our current services, as well as provide suggestions for further services and improvements.

Miriam Campo
Director of Sponsored Programs

Submit Suggestions and Ideas to: Miriam Campo
mcampo@utk.edu
Write “New Ideas” on the Subject Line

Winter Holiday Schedule

This is a reminder that the University will be closed from December 26, 2011 through January 2, 2012. If you have a proposal with a deadline date that falls within this time, the proposal will need to be submitted to the sponsor no later than Friday, December 23, 2011.

Differences between New, Continuation & Non-Competing Continuation Proposals

by Linnea Minnema, Sponsored Programs Administrator



One of the most common questions that is raised to the staff in sponsored programs is related to the difference between proposal types. What is considered a “New” proposal? When should a PI use the “Competing Continuation” distinction? How does that differ from a “Non-Competing Continuation?” Using the definitions below, we hope to clarify the differences between the proposal types and eliminate some of the confusion that the “type” differentiation has caused.

First of all, what is a “new proposal?” If a proposal has never been selected for funding from the agency you are submitting to, it is considered a “new” proposal. Even if the idea has been submitted in the past, most agencies consider this proposal to be “new”.

The exception to this rule is when a proposal is submitted to NIH but not selected for funding, an investigator must classify the proposal as a “resubmission” in order to apply again. A “resubmission” is a designation unique to NIH. An investigator may only submit one “resubmission” to an NIH proposal, and it must be submitted within 37 months of the original submission. NSF allows declined proposals to be resubmitted only with substantial revisions, which are then classified as “new” proposals.

Once an investigator has received funding, a request to receive additional funding and additional time is considered a “Competing Continuation”. This proposal will receive a full review from the agency and there is no assurance that additional funding will be made available to the investigator to continue the project. The original scope of work should have been completed with the original award, including any requests for no-cost time extensions. This new request should have a new scope of work that either expands or continues the work accomplished in the original award period and is substantial enough to be a stand-alone project.

Conversely, a “Non-Competing Continuation” is a request to continue to the next budget period within an approved project period. This is most often a distinction used with NIH projects, but can also be used by other agencies. The proposal will not usually undergo a full review by the sponsor, but will most often receive only an administrative review in order to ensure that the deliverables are being met and adequate progress is being made toward the goals of the project.



Sponsor News: NSF’s Career-Life Balance

The National Science Foundation (NSF) recognizes that countries around the world are increasingly developing their own STEM talent as well as the importance of the U.S. to do the same in order to maintain our technical and scientific leadership. Women in STEM disciplines represent a growing fraction of the STEM professionals in this country, but studies have shown the career and life balance has had adverse effects on these invaluable members of the community when they do not receive appropriate institutional support.

To address this challenge, NSF has launched the Career-Life Balance Initiative in an effort to increase the placement, advancement, and retention of women in STEM disciplines. This initiative is designed to improve existing and implement new, gender neutral, family-friendly policies to support the fast growing segment of the STEM workforce. NSF hopes to strengthen its partnerships with colleges and universities in an effort to change perceptions about work and family life and implement policies that help scientists and engineers improve their career-life balance.

More information about the Career-Life Initiative can be found at: <http://www.nsf.gov/career-life-balance/>. Should you have any comments or suggestions regarding these strategies, NSF asks that you email them to balance@nsf.gov.

More Sponsor News: Use of Proprietary Information on Grant Submissions

Proprietary information is knowledge (data, test results and etc) that is not known publically; this type of information is viewed to be the ownership of the holder. Many agencies view the use of proprietary information in a similar vein yet it is important to review each submission and agency independently. The Freedom of Information Act (FOIA) mandates public access to U.S government records. Upon written request by any public entity, agencies of the U. S. government are required to disclose those records; therefore, projects that receive any Federal funding are subject to release by the government.

Generally speaking, the use of proprietary information in a grant submission is discouraged by the Department of Energy (DOE), the National Science Foundation (NSF) and the National Institutes of Health unless it is necessary to convey information that would be critical to the review and evaluation by the reviewers. Below are agencies' guidance on the inclusion and appropriate management of including proprietary information.

Department of Energy (DOE): For DOE each solicitation will contain specific instructions for that program related to the use of proprietary information. The general direction for the DOE is as follows:

“The data contained in pages _____ of this application have been submitted in confidence and contain trade secrets or proprietary information, and such data shall be used or disclosed only for evaluation purposes, provided that if this applicant receives an award as a result of or in connection with the submission of this application, DOE shall have the right to use or disclose the data herein to the extent provided in the award. This restriction does not limit the government’s right to use or disclose data obtained without restriction from any source, including the applicant.”

To protect such data, each line or paragraph on the pages containing such data must be specifically identified and marked with “The following contains proprietary information that (name of applicant) requests not be released to persons outside the Government, except for purposes of review and evaluation.”

National Institutes of Health (NIH): For NIH if proprietary information is contained in the submission it should be identified by checking “yes” on the “other project information” page question #3 of the grants.gov package then mark each line or paragraph that contains proprietary information with a statement similar to the following: “The following contains proprietary/privileged information that (name of applicant) requests not be released to persons outside the Government, except for purposes of review and evaluation.” Or, an alternative is to provide asterisks in the areas that contain confidential information and provide a preceding statement such as: “The following sections marked with an asterisk contain proprietary/privileged information that (name of Applicant) requests not be released to persons outside the Government, except for purposes of review and evaluation.”

When proprietary information is contained in the application it is done so with the understanding that this information has been provided in confidence and the information is to be used for evaluation of the application.

National Science Foundation (NSF): If proprietary information is vital to the proposal, NSF requires the “Proprietary or Privileged Information” box to be marked on the Cover Sheet in Fastlane. Additionally, any text in the project description that must be clearly labeled using the following: “The following is (proprietary or confidential) information that (name of proposing organization) requests not be released to persons outside the Government, except for purposes of review and evaluation.”

Please note that while NSF will make every effort to prevent unauthorized access to the marked material, it is not responsible or liable for the release of such material. Also, any funded proposal will be available to the public upon request, except for privileged information or material that is personal, proprietary, or otherwise exempt from disclosure under law. Appropriate labeling in the proposal aids identification of what may be specifically exempt.

Ask Sponsored Programs

Q. What are “indirect costs” or F&A (Facilities & Administration)? Why are they included in my proposal budget?

A. Indirect costs, also known as F&A, are real costs associated with sponsored projects, but are costs that are not easily identifiable or allocable to the project and allow the University to recover the costs on sponsored projects.



Q. Dr. Brown is submitting an application to a federal sponsor and has asked me to be a part of the project. She has asked me to submit my proposal to her institution. Who do I list as the sponsor in TERA-PAMS and what other information goes in the proposal?

A. When another organization (university, company, etc.) is submitting the main proposal to the sponsor, UT will be a subcontractor to the organization and a sub-tier contractor to the sponsor. In the proposal list the organization submitting the proposal to the sponsor as the “Funding Agency” and the sponsor as the “Prime Funding Agency”. In addition, the proposal will need to include a statement of work for the work that will be done at UT, detailed budget, budget justification, and letter of commitment. UT will submit the proposal to Dr. Brown’s organization for inclusion in the proposal to be submitted to the sponsor.

Calculating Fringe Benefits for Sponsored Programs

by Jennifer Webster



When preparing a budget for a sponsored research project, fringe benefits sometimes seem to be a moving target. Confusing or conflicting explanations can leave many people wondering how to calculate fringe benefit rates correctly. The University of Tennessee does not have a federally negotiated rate for fringe benefits.

All fringe benefits are paid out to individuals based on the actual costs of the benefits they have selected to receive, so each employee has a unique fringe rate which includes the University's share of payroll taxes, retirement contribution, 401K, workers' compensation, unemployment insurance, and health insurance.

Estimated Rate

In some situations you may not be able to accurately determine the fringe benefit rate, such as when estimating benefits for a position that has not yet been created. In such situations, the Office of Research recommends using an average rate for **estimating** the cost of fringe benefits on proposal budgets. The recommended estimated rate, established by the University Budget & Finance Office, is currently 32%, but this rate may be periodically adjusted to reflect changes to benefit compensation.

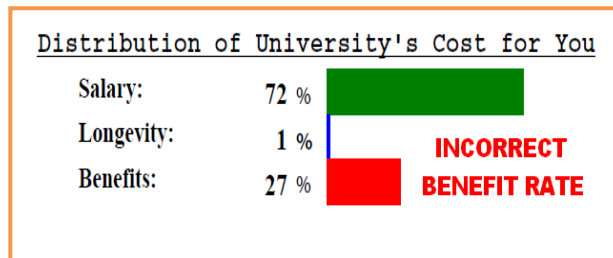
Actual Rate

In order to avoid budget shortfalls, the actual fringe rate should be used in budgets whenever possible. Even if the estimated rate was used when creating the proposal budget, the actual rate will be charged to an awarded grant or contract. Actual fringe benefit rates may exceed 50%, and if there are insufficient funds in the fringe benefit category, the project will require a rebudgeting of funds from other categories to cover the shortfall. To verify actual fringe benefit rates for specific individuals, contact your unit’s business office, the Sponsored Programs office, or follow the instructions below.

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Calculating the Actual Rate

Fringe Benefits are calculated using salary and benefit information recorded in IRIS. Open the feature ZPR_BEN_STATE, enter the person's name or personnel number, and print a PDF of their benefits statement. On the right side of the document, you will see the header "Distribution of University's Cost for You" and a bar graph with a percentage listed for the benefit rate. Please note that this graph calculates a percentage by taking the paid benefit total divided by the total compensation. It is not the benefit rate as a percentage of salary, which is how a sponsor would expect to see fringe benefits calculated.



Please follow the instructions below to calculate benefits as a percentage of salary. Use the information in the document, including the Total Salary and the UT Paid Benefit Total.

SALARY:		
Salary (annual rate):	\$	42,219
Longevity:	\$	300
Total:	\$	<u>42,519</u>
UT PAID BENEFIT TOTAL:	\$	<u>16,021</u>
COMPENSATION TOTAL:	\$	<u>58,540</u>
		=====

Divide the UT Paid Benefit Total by the Total Salary to correctly calculate the fringe benefit rate. Example: The person above has a total salary of \$42,519 and a paid benefit total of \$16,021. Calculate $16021 / 42519 = 0.3767...$ to find the actual benefit rate of 37.7%. This percentage should be applied to the individual's requested salary on any sponsored project budget.

Student Insurance

Please note that fringe benefits for graduate students are not calculated on a percentage of salary. They have a monthly flat rate (currently \$83/month) that usually changes each year in August. For undergraduate students taking less than six credit hours of classes, 8% fringe benefits should be applied to cover payroll taxes. If the student's schedule cannot be verified, Sponsored Programs recommends the 8% fringe benefit rate be charged to the proposed budget. In the event that the student takes more than 6 credit hours of classes, the 8% fringe benefit rate will not be charged to the sponsor.

Reminders ...

Graduate Assistant Health Insurance

Graduate students who are paid through an assistantship of one-fourth time or higher receive health insurance paid from the same account that covers their stipend. The current rates listed below became effective as of August 1, 2011.

Annual Rate	08/01/2011 – 07/31/2012	\$993
Fall	08/01/2011 – 12/31/2011	\$416
Spring/Sum	01/01/2012 – 07/31/2012	\$577
Summer	05/01/2012 – 07/31/2012	\$250

If the student's annual pay is being budgeted on one proposal, the entire amount for health insurance needs to be included in the budget under Staff Benefits. If the student's pay is being split on multiple account numbers, the appropriate percentage of benefits needs to follow the salary.

The Office of Research recommends that a 3% increase be included in out years to cover possible increases in health insurance rates. If you have questions, please contact Sponsored Programs at 974-3466.



ORNL Joint Faculty

ORNL Joint Faculty must remember that when submitting proposals through the University of Tennessee (UT), you are doing so through your UT department. Therefore, you must use your UTK email address, phone number and address on all the sponsor's forms. The UTK email address must be active since it will be used by the sponsor and our office to communicate with you.

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