

Standard Operating Procedure

Title: Proposal Development and Pre-Submission Process

Effective Date: [Insert Date]

Responsible Office: Office of Grants & Research Services (OGRS)

Related Parties: Principal Investigator (PI), Department Administrators

1. Purpose

This Standard Operating Procedure (SOP) establishes the required steps, roles, and timeline for the development, coordination, and submission of grant proposals to external sponsors. The procedure ensures institutional compliance, proposal quality, and timely submission.

2. Scope

This SOP applies to all grant-related notices and funding opportunities pursued by the institution, including but not limited to Notices of Application (NOA), Requests for Application (RFA), Requests for Proposal (RFP), Notices of Funding Opportunity (NOFO), Notices of Grant Opportunity (NGO), Requests for Information (RFI), and Requests for Letters of Interest (RLI).

3. Roles and Responsibilities

3.1 Principal Investigator (PI)

- Initiates notification to OGRS/CFR (only for corporations and foundations) upon receipt of a funding opportunity.
- Collaborates with OGRS/CFR (only for corporations and foundations) on proposal development, including narrative and budget.
- Ensures programmatic accuracy and alignment with sponsor requirements.

3.2 Office of Grants & Research Services (OGRS)

For Corporations and foundations CFR will work with OGRS

- Reviews and interprets sponsor guidelines and institutional requirements.
- Provides guidance on proposal development, budgeting, and compliance.
- Conducts final administrative review prior to submission.

4. Procedure

4.1 Initial Notification (3–6 Months Prior to Deadline)

Upon receipt of any funding opportunity notice, the PI or department must immediately notify OGRS. Early notification is essential to allow adequate time for proposal development, internal review, and approvals.

4.2 Review of Sponsor Requirements

OGRS and the PI will jointly review the funding opportunity to confirm:

- Program objectives and project scope

- **Applicant eligibility**
- **Allowable costs and budget parameters**
- **Submission requirements and deadlines**

4.3 Proposal Development

- **The PI and OGRS will collaboratively develop the project narrative and budget.**
- **All proposal components must be internally consistent and aligned with sponsor guidelines.**
- **Any required institutional approvals or documentation must be incorporated during this phase.**

4.4 Internal Submission Timeline

- **The complete proposal must be entered into Cayuse no later than five (5) business days prior to the sponsor's deadline. By this stage, the proposal should be substantially final; this period is not intended for initial document development.**
- **The final application must be submitted to the sponsor two to three (2–3) business days before the deadline to allow sufficient time for final review, corrections, and institutional approval.**

5. Compliance

Failure to adhere to this SOP may result in delayed submission, non-compliance with institutional policy, or missed funding opportunities. Exceptions must be reviewed and approved by OGRS.

BUDGET

Building Strong Grant Budgets: What Faculty Need to Know

Effective budget development is a core component of a successful grant proposal—not an administrative afterthought. At Seton Hall University, faculty are supported throughout this process by the Office of Grants & Research Services (OGRS), the Grants Accounting Office (GAO), and Corporate and Foundation Relations (CFR). Early collaboration with these offices helps ensure that budgets are accurate, compliant, and aligned with sponsor expectations.

From a faculty perspective, a strong budget does three things:

1. **Strengthens your proposal’s competitiveness** by demonstrating thoughtful project planning
2. **Ensures compliance** with sponsor rules and university policies
3. **Supports successful project execution** once funding is awarded

Budget planning should begin **at the same time** as the statement of work and research narrative. Costs must clearly align with the scope of work, follow sponsor guidelines, and be fully justified.

What Goes Into a Grant Budget

Faculty budgets typically include:

- **Direct costs**, such as:
 - Personnel (PI, Co-PI, research staff, graduate students)
 - Fringe benefits
 - Equipment
 - Travel
 - Materials and supplies
 - Publication and dissemination costs
 - Consultants and subawards
- **Indirect costs (F&A)**, which support the university’s research infrastructure and are applied at the institution’s federally negotiated rate.

Other allowable costs may include data management, storage, software, and specialized services. Using realistic, verifiable estimates—and avoiding under- or over-budgeting—is essential.

Common Faculty Budget Pitfall: Time and Effort

A frequent issue in faculty proposals is **underrepresenting or omitting time and effort**. Every sponsored project must account for personnel effort related to research, management, and dissemination activities. This includes:

- Principal Investigator (PI)
- Co-Investigator(s)

- Research staff and graduate students

Faculty effort may involve:

- Academic year release time (course buyouts)
- Summer salary
- Institutional support and cost sharing, where applicable

Seton Hall policy regarding teaching load and release time provides the framework for calculating appropriate faculty effort, and OGRS assists in ensuring these calculations are compliant and sponsor-allowable.

Graduate Student and Indirect Cost Considerations

Graduate student compensation must comply with state wage requirements and university limits on hours worked during the academic year and summer. Salaries and wages also serve as the base for calculating indirect cost recovery, which is applied according to SHU policy.

Key Takeaways for Faculty

- Start budgeting early—don't wait until the proposal narrative is finished
- Always include **personnel time and effort**
- Use realistic cost estimates and ask questions early
- Partner with OGRS to avoid compliance issues and strengthen your proposal

Bottom line: Thoughtful, early, and collaborative budget planning helps faculty submit stronger proposals, reduces delays, and increases the likelihood of funding success.

TIME AND EFFORT

Purpose and Context

Time & Effort reporting in sponsored projects explains why accurate effort estimation and certification are essential for compliance, budgeting, and accountability.

What “Time & Effort” Means

- Time and effort represent the portion of an individual’s total professional activities (teaching, research, service, etc.) devoted to a specific sponsored project.
- Effort is usually expressed as a **percentage** or **person-months**.
- Once committed in a proposal, effort becomes a **binding obligation to the sponsor**, even if salary is not directly charged to the grant.

Effort Commitments and Budget Alignment

- **Budget alignment is critical:** requested effort must realistically reflect the project’s needs.
- Overstated effort may invite sponsor scrutiny; understated effort may suggest insufficient commitment.
- **Committed Effort** becomes contractual upon award.
- **Contributed (Cost-Shared) Effort** is the portion of committed effort paid by the University rather than charged directly to the sponsor.

Personnel Salaries and Release Time

- **Release time** must:
 - Follow SHU policy
 - Be approved by the Chair and Dean
 - Include fringe benefits
- Release time applied either to the sponsor or as cost share requires approval.
- Release time differs from **summer research salary** and typically functions as a course buy-out or workload reduction approved during the pre-award phase.

Release Time Calculations (Academic Year)

- Release time is calculated as a **percentage of Institutional Base Salary (IBS)** plus fringe benefits.
- Example:
 - Faculty member with a 9-month IBS of \$100,000 requests one course release per semester.
 - 75% of IBS corresponds to 18 teaching credit hours (3 courses per semester), with the remaining effort allocated to research and service.

Course Buy-Out Formula

- One credit of release time equals **4.17% of IBS**.

- Example calculation:
 - $3 \text{ credits} \times 4.17\% \text{ of } \$100,000 = \$12,510 \text{ salary}$
 - Add fringe benefits (43%) = \$5,379 additional cost

Summer Salary (9-Month Appointments Only)

- One month of summer salary = $\text{IBS} \div 9$.
- Faculty may request up to **3 months maximum**.
- Summer fringe benefits are **9%**, and **68% indirect costs** apply only to salaries and wages.

Compliance and Regulatory Importance

- The primary goal of time and effort reporting is to ensure that **costs charged reflect actual work performed**, not estimates.

Release Time

Purpose

To comply with the federal Office of Management and Budget, The Uniform Guidance 2 CFR 200 (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards for Educational Institutions), which supersedes the previous requirements in OMB circular A-21.

Scope

University Policy

Definitions

Release Time: (also known as a course buy-out) time or a period allotted to a faculty member from normal duties for a research activity

Effort: any portion of a person's salary that is charged to a grant

Academic Year: (9 months appointment) The Academic Year is defined as the fall and spring semesters and those days preceding and following those semesters needed for the proper academic functioning of those semesters

Academic Year (12 months appointment) Full-time faculty holding twelve (12)-month appointments for the fiscal year have professional responsibilities to the university for the period commencing July 1 and ending June 30

Calendar Year: A calendar year is a one-year period between January 1 and December 31

IBS: Institutional Base Salary is defined as the annual compensation paid by the Institution of Higher Education (IHE) for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE. (2CFR 200.430 (h) (2)).

Fellowship - Fellowships are a specific type of grant that allows you to receive funding while pursuing specific research academic interests.

This policy as described in applies uniformly to all faculty members, not just those working on Federal Awards. For purposes of this policy, release time pertains to time being purchased with funds resulting from an award of a grant, cooperative agreement or contract, foundation grant, fellowship.

All faculty seeking release from their normal teaching obligation must complete the Faculty Release-Time Form (FRF) prior to any reduction in course load. No release-time will be

granted unless, and until, the Faculty Release-Time Form (FRF) is fully approved by the Associate Provost, Research & Innovation through the regular channels (via chair/director/coordinator and Dean).

Policy

Salaries for Faculty Members requests for salary support from a grant should be directly proportioned to the percentage of effort/amount of time being dedicated to the project. Whether the salary is being requested as a course buy-out, or as summer salary, it should reflect the true salary cost of a faculty member's time. 2 CFR 200.430 (h) (2) states that charges for work performed on Federal awards by Faculty members are allowable at the IBS rate. Proposal budgets must, therefore, reflect the full cost of release time (salary, fringe benefits, and indirect cost) to the funding agency.

Release Time

- The IBS shall be used to compute salaries charged to sponsored project. IBS includes compensation for **instruction, public service, research, and/or other activities**.
- 75% of the IBS is equal to 18 credit hours (3 courses at 3 credit hours per semester) and about 25% in the performance of professional duties such as student advisement, departmental committee work and other activities
- Course release, or "Course Buy-Out," is charged at 4.17% (equals to one credit release time) of the faculty member's IBS and must include associated benefits and university overhead.
- The responsibility for the determination of an individual workload rests with the Chair of the Department or, in non-departmentalized schools, the Dean of the School. The determination of an appropriate workload is subject to review by the academic administrator to whom the Chair or the Dean reports
- Percentage effort calculation will serve as a base to calculate the months' effort, the amount of salary, and or the credit hours allocated to a specific project

Academic Year Salaries

Release time/Course buyouts (Academic Year – 9 months) Course buyouts allow an investigator to reduce his or her course-load for the academic year to dedicate him/herself to the research set forth in a proposal. Coordinating with the Department Chair or unit head, investigators may request funds to "buy-out" a course that he/she would be teaching during the academic year. Each course buy-out should be calculated at 4.17% (one-credit course teaching) of the investigator's academic year base salary. No faculty will be allowed to reduce their teaching loads to zero in any semester. (Please refer to Appendix A for details)

Release Time/Course buyouts (Academic Year – 12 months) Course buyouts allow an investigator to reduce his or her course-load for the academic year to dedicate him/herself to the research set forth in a proposal. Coordinating with the Department Chair or unit head, investigators may request funds to "buy-out" a course that h/she would be teaching during the

academic year. Each course buy-out should be calculated at 4.17% (one-credit course teaching) of the investigator's academic year base salary. No faculty will be allowed to reduce their teaching loads to zero in any semester. (Please refer to Appendix A for details)

Summer term (3 months)- A budget may include a portion of months' time to be compensated, based on the institutional base salary, during the summer. Summer compensation is calculated as follows: one month of summer pay is equivalent to 1/9 of the IBS. When working on a sponsored project, total summer effort cannot exceed 3 months. Only 9 months' academic appointments are eligible for summer compensation. (Please refer to Appendix A for details)

Please note that SHU faculty cannot serve in a consultant/independent contractor role and be paid with a check request through Accounts Payable rather than being paid through the payroll system.

Calculation

One Institutional Credit (IC) = .75x (Institutional Base Salary/18)
One Release Time Credit (RTC) = .75xIC = 4.17% of the IBS

Responsible Offices

Office of Grants and Research

Related Policies

N/A

Approval

Approved

Initially adopted and approved on February 22nd, 2023, by the Executive Cabinet.

Effective Date

February 22, 2023

EXHIBIT A

The table below shows the percentage per credit and the corresponding time in months.

# Credits	Percentage	# of Months	
		9 months	12 months
1	4.17%	0.38	0.50
2	8.33%	0.75	1.00
3	12.50%	1.13	1.50
4	16.67%	1.50	2.00
5	20.83%	1.88	2.50
6	25.00%	2.25	3.00
7	29.17%	2.63	3.50
8	33.33%	3.00	4.00
9	37.50%	3.38	4.50
10	41.67%	3.75	5.00
11	45.83%	4.13	5.50
12	50.00%	4.50	6.00
13	54.17%	4.88	6.50
14	58.33%	5.25	7.00
15	62.50%	5.63	7.50
16	66.67%	6.00	8.00
17	70.83%	6.38	8.50
18	75.00%	6.75	9.00
19	79.17%	7.13	9.50
20	83.33%	7.50	10.00
21	87.50%	7.88	10.50
22	91.67%	8.25	11.00
23	95.83%	8.63	11.50
24	100.00%	9.00	12.00

Cost Sharing: Faculty Quick Guide

What Faculty Need to Know Before Including Cost Sharing in a Proposal

What Is Cost Sharing?

Cost sharing (or matching) is the portion of a sponsored project's total cost **not paid by the sponsor**, but contributed by:

- **Seton Hall University**, and/or
- **External partners** (e.g., nonprofits, industry collaborators)

Cost sharing can be **in-kind** (non-cash) and must directly support the project.

When Is Cost Sharing Required?

- **Mandatory Cost Sharing**
Required by the sponsor as a condition of the award.
- **Voluntary Committed Cost Sharing**
Not required—but once included in a proposal, it becomes a **binding institutional obligation**.

⚠ Important: Faculty should avoid offering cost sharing unless it is **explicitly required** or strategically necessary.

What Is In-Kind Cost Sharing?

In-kind cost sharing refers to **non-cash contributions** that directly benefit the project.

Common Faculty Examples

- 🕒 Unpaid faculty or volunteer effort
- 🧪 Donated laboratory space, equipment, or supplies
- 🤝 Partner-provided services, data, or staff time

Key Rules for Allowable Cost Sharing

All cost sharing must be:

✓ Documented

Supported by official institutional or third-party records

✓ Allowable & Necessary

A cost the sponsor would normally allow and needed for the project

✓ Non-Federal

Federal funds generally cannot be used to meet cost-sharing requirements on another federal award

✓ **Not Duplicated**

The same contribution **cannot** be used for more than one project

✓ **Within the Project Period**

Must occur during the approved period of performance

Faculty Responsibilities

- Discuss potential cost sharing **early** with Sponsored Programs
- Do **not** promise effort, space, or resources independently
- Ensure all cost sharing commitments are **approved, tracked, and recorded**

Faculty Tip

If it's written into the proposal, it **must be delivered and documented**—even if the sponsor does not require it.

Questions?

Contact **Sponsored Programs** *before* submitting your proposal.

DIRECT VS INDIRECT

Direct costs are expenses specifically attributable to a research project (salaries, supplies, travel), while indirect costs (overhead/F&A) represent shared infrastructure costs (utilities, administration) not easily linked to one project.

Direct Costs

These are directly tied to project activities, are readily traceable, and must be allowable by the sponsor.

- **Personnel Salaries:** Research staff, postdocs, and faculty working on the project.
- **Stipends/hourly:** Graduate/undergraduate student compensation.
- **Equipment/Materials:** Laboratory supplies, reagents, and specialized equipment.
- **Travel:** Travel to conferences to present results.
- **Subawards:** Costs for external research partners.

Indirect Costs

These are costs incurred for common objectives that support the project but cannot be easily assigned to it.

- **Facility Costs:** Rent, utilities (heat, light, power), and building maintenance.
- **Administration:** Institutional HR, accounting, and compliance offices.
- **IT:** Internet and shared data storage.
- **Depreciation:** Costs associated with buildings and major equipment.

Key Differences

- **Traceability:** Direct costs can be tracked to specific tasks; indirect costs cannot.
- **Calculation:** Indirect costs are often calculated as a negotiated percentage of total direct costs (often using a modified total direct cost, or MTDC, base).
- **Nature:** Direct costs directly generate results; indirect costs create the environment for research.

SHU Indirect Cost Base

The rate is only applicable to Salaries and Wages (68%)

SUBAWARDS VS. SUBCONTRACTS

Subawards (or subgrants) and subcontracts (or vendor agreements) differ primarily by the nature of the partnership: a **subawardee** collaborates on programmatic work and shares responsibility for project success, while a **subcontractor (vendor)** provides goods or routine services in a competitive, commercial environment to support the project.

- **Purpose:** Carries out part of the scientific or programmatic scope of work.
- **Accountability:** Adheres to compliance requirements of the prime award.
- **Intellectual Contribution:** Often involves collaboration, co-authorship, or intellectual input.
- **Example:** A university partnering with another university to conduct a part of a research project.

Subcontract (Contractor/Vendor)

- **Purpose:** Provides goods or services needed to carry out the project (e.g., equipment, auditing).
- **Accountability:** Operates within normal business operations; not subject to the same compliance.
- **Relationship:** Provides services on a commercial basis, often chosen through competitive bidding.
- **Example:** Hiring a specialized company to analyze data samples or renting lab equipment.

Key Differences for Compliance

- **Subawards** require complex monitoring of programmatic progress.
- **Subcontracts** are generally subject to procurement rules to ensure fair market value.
- **Misclassification** can cause compliance issues, project delays, and financial penalties.

Key requirements for subaward commitment include:

- **Documentation:** You must collect a signed subrecipient commitment form, statement of work, and budget justification.
- **Verification:** Ensure the subrecipient checks boxes acknowledging terms that will apply if the proposal is awarded.
- **NIH Requirements:** Updated policy requires strict adherence to subaward consortium agreements, which should be initiated early, often via the FDP clearinghouse.
- **NSF Requirement:** If a subaward was not in the original budget, you must get written approval from NSF.

Risk Assessment: Evaluating risks based on their likelihood of occurrence and potential impact on research outcomes.

Common Categories of Research Risk

Scientific/Methodological: Incomplete data, invalid methodologies, or failure to produce intended results.

Financial: Cost overruns, loss of funding, or equipment failure.

Compliance & Ethical: Breaches in data privacy, failure to obtain institutional review board (IRB) approval, or ethical violations.

Operational & Human: Team burnout, loss of key staff, or poor collaboration.

Yes, a signed **Subrecipient Commitment Form** (or Letter of Intent) is required at the time of proposal submission, not just when an award is made. This document, along with a scope of work, budget, and bio sketches from the subrecipient, is needed to certify compliance with prime sponsor requirements.

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