Overview of the Proposal Submission Process, Award Negotiation, Award Approval, and Set-Up

Assessment 4 will cover materials in Module 4.00 of the tutorial including information in referenced guides. Definitions and acronyms referred to in this module and found in the definition or acronym list provided as part of this tutorial (see Module 1.00) may be included in the assessment. The assessment will not cover information found in external web sites.

Multiple Choice
When developing a multi-year budget it is appropriate to account for inflation. What is the appropriate % increase to apply per year to a multi-year proposal budget?

- 2%
- 3% to 4%
- 7.5%
- Varies each quarter depending on the economy

Correct Response
For budgets proposed to begin in the future, it is appropriate to calculate a 3%-4% increase to the current salary to compensate for cost-of-living increases. Additional increases of 3%-4% per employment year are also appropriate for the same reason. Any increases should be detailed in the budget summary.

True/False
Proposals that have patient care activity that will be conducted at affiliated sites must include the appropriate approved rate(s) from that institution (True)

Correct Response
Agreements where patient care is conducted at one or more UCD\AMC affiliated hospitals must include the appropriate rate per activity charged at the given affiliated hospital.

Multiple Choice
According to Fiscal Policy, clinical trials are to be funded on a cash basis, meaning:

- The clinical trial should stay in a positive cash position throughout the term of the award
- The clinical trial should be in a positive cash position at the end of every month
- The clinical trial should be in a positive cash position at the end of every quarter
- The clinical trial should be in a positive cash position at the end of the project
- None of the above

Correct Response
To be funded on a cash-basis means that the project is expected to be in a positive cash position throughout the term of the award.

Multiple Choice
Which of the following budget items is not a direct cost?

- Public Service charges for electricity at an UCD\AMC-owned building
- Equipment purchased to run an experiment
- Clinical trial patient care activities
Rental of space at an off-campus location

Correct Response

Direct Costs are the costs that can be identified specifically with a particular sponsored project relatively easily and with a high degree of accuracy. Public Service charges for electricity at an UCD|AMC-owned building cannot be identified specifically with a particular sponsored project.

Multiple Choice

Which of the following budget items are excluded from the F&A cost calculation?

- Lab animal care costs
- Capital equipment
- IRB fees
- Rent
- School of Medicine animal resource center charges
- All of the above

**Correct Response**

Budget items excluded from the F&A cost calculation are capital equipment, that portion of each subcontract in excess of $25,000, animal resource center charges when housed at the School of Medicine, Center for Laboratory Animal Care, hospitalization and other fees associated with patient care, rental/maintenance (renovation, not routine maintenance) of off-site activities, student tuition remission and student support costs, participant support, and UCD|AMC IRB fees.

True / False

A faculty member employed by another university (not UCD|AMC) can be listed as UCD|AMC "personnel" in the budget. (False)

Correct Response

The personnel budget category includes faculty, staff, and students employed by UCD|AMC, such as the PI, research personnel, and technical personnel.

Multiple Choice

Using the F&A Cost Rate Agreement, what information is needed to determine the appropriate F&A cost rate for a proposed budget?

- The total budget amount
- Where will the majority of the proposed work be conducted (e.g., on or off campus)
- The date the proposal will be submitted to the sponsor
- What type of activity is being proposed for the project (e.g., research, training, service)
- All of the above

**Correct Response**

The F&A cost rate for a project is determined on the basis of the location of the project (on or off campus), and on the type of activity being proposed.

Multiple Choice

What is MTDC?
Modified Total Direct Costs
Marginal Total Direct Costs
Modified Total Direct Charges

Multiple Choice
What is TC?
- Total Collected
- **Total Costs**
- Total Charges

Multiple Choice
What is TDC?
- **Total Direct Costs**
- Tally of Documented Charges
- Total Direct Charges

Multiple Choice
What is faculty effort that is contributed to a sponsored project but is never covered by the sponsor's funding (i.e. another source of funding pays for the faculty's effort on the project)?
- Cost free
- Spreading Costs
- **An example of Cost share**
- All of the above
- None of the above

Correct Response
Cost share is that portion of a sponsored project or program that is not supported financially by the sponsor.

True / False
Proposing budget items as cost share that are unallowable as direct costs is acceptable in most cases. (**False**)  
Correct Response
The same cost principles for direct costs covered earlier in the tutorial apply to the charging of cost share. The expenditure must be appropriate as a direct expense. Requirements for cost sharing are found in OMB Circular A-110, including the allowable methods for documenting such cost sharing.

Multiple Choice
Who is responsible for identifying and documenting all cost share obligations in the proposal and obtaining institutional approval of these commitment(s)?
- **Principal Investigator and originating Department**
Correct Response: It is the responsibility of the PI and the originating Department to ensure that all cost sharing is identified and documented appropriately in the proposal.