OSP Brown Bag

April 9, 2014

Agenda

- Welcome and introduction of new OSP Staff
- Property Management Update
- FCOI Update
- Research Protections Office (RPO) Update
- Office of Sponsored Projects (OSP) Updates:
  - Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Chapter I, and Chapter II, Parts 200,215,220,225,and 230)
  - NIH Commons ID
  - NSF Update
  - WD Grants Update
  - Salary Reallocations
  - Effort Reporting
  - Coeus Update

Property Management Update

Financial Conflict of Interest Update

Annual Conflict of Interest Assurances

- Investigators Not Included in Our Annual Process:
  - Non-Regular Faculty
  - Post Docs
  - Graduate Students
  - Subawards Following Brown's Policy
  - Non-Brown Individual Investigators

Assurance Form Access: **http://coi.brown.edu**

Brown's Conflict of Interest Website

Wesley_Becklo@brown.edu - **Conflict of Interest Coordinator**

Research Protections Office Update

OSP Brown Bag

Pre Award Update

New NSF Fields

Two New Fields located on NSF Coversheet:

- Funding Mechanism
- Collaborative Status

These two new fields do not apply to proposals submitted via Grants.gov.

Details located in the latest Grant Proposal Guide: http://www.nsf.gov/publications/pub_summ.jsp?ods_key=papp).

New NSF Fields

The new fields only apply to the following:

- Proposals submitted through FastLane
- Proposals updated via Proposal File Update (PFU)
  - Includes both FastLane **and** a Grants.gov proposal submissions
    - If a PFU is performed on a Grants.gov submission the questions on the Cover Sheet must be answered at that time.

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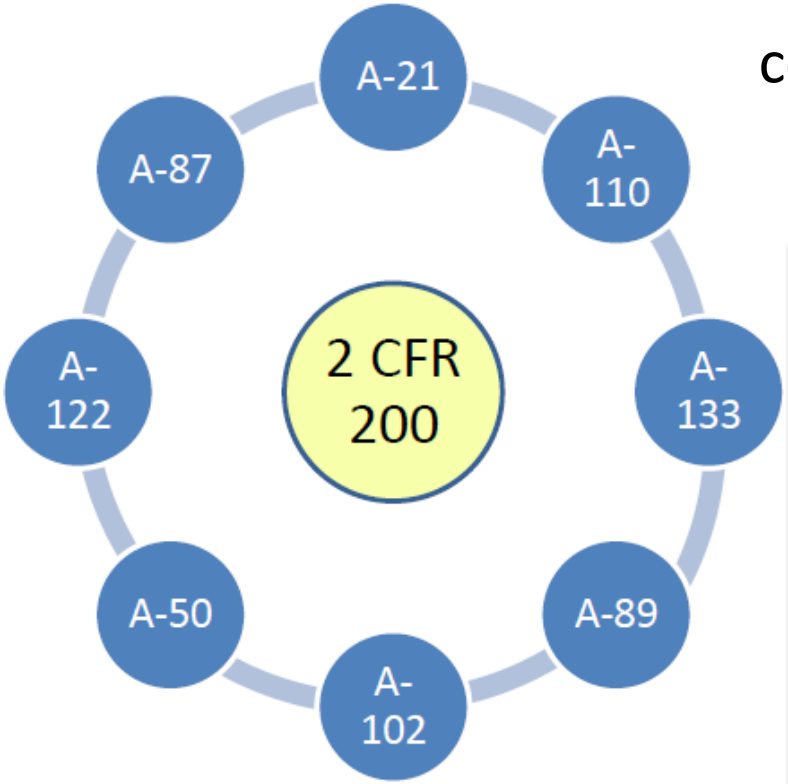
UNIFORM GUIDANCE
2 CFR 200

The following Uniform Guidance 2 CFR 200 Slides are from University of Minnesota – Twin Cities Office of Sponsored Projects Administration (Hot Topics 2014 Presentation)

Uniform Guidance
2 CFR 200



Uniform Guidance is a combined, "simplified" version of 8 previous circulars

2 CFR 200

Subpart A – Acronyms and Definitions
Subpart B – General Provisions
Subpart C – Pre-award Requirements & Contents of Federal Awards
Subpart D – Post Federal Award Requirements
Subpart E – Cost Principles
Subpart F – Audit Requirements
Appendix

Uniform Guidance
2 CFR 200

Funding Opportunity Announcements (FOA)

GOOD

- Standard minimum 60 day lead time
  - Minimum number of days will be 30 unless a different period is required by statute or exigent circumstances as dictated by the agency head
- Announcement will be in a standard format & posted
  - Specified summary data
  - Specified full text announcement data
- Proposal application forms pre-approved by OMB

Uniform Guidance
2 CFR 200

Award Notices

GOOD

- Create a unique, government-wide identifier number
  - FAIN - Federal Award Identification Number
    - for NIH: R01-GM123456
- Terms and conditions are spelled out
  - Including deliverables (reports or other) and any milestones

Uniform Guidance
2 CFR 200

Cost Sharing

GOOD

- Voluntary committed cost-sharing is not expected in research proposals
- Cost-sharing obligations must be included in Funding Opportunity Announcements (FOA)
- Cost-sharing may not be used as a factor in the review of applications.

Uniform Guidance
2 CFR 200

Subaward & Subrecipient Monitoring

MIX

- Increased burden for vendor vs. subrecipient classification
  - New option for each federal agency to require us to document how we decided each transaction is a subaward versus a vendor agreement
- **Increased burdens for subaward issuance**
  - New obligation to obtain federal agency prior approval before using a fixed price subawards (common for foreign subs, clinical trials, and small entities)
  - New limit on size of fixed price subawards ($150K)
  - New mandatory list of data elements that have to be included in each subaward
  - Clarification that if you want reports from your subrecipient, you must include the requirement in your subaward
  - Increase in number of subrecipients without audit reports (threshold raised from $500K per year in federal expenditures to $750K)

Uniform Guidance
2 CFR 200

Subaward & Subrecipient Monitoring (Con't)

MIX

- Increase/decrease in burden in subaward risk assessment
  - Pass-through entities authorized to use Federal Audit Clearinghouse to verify audit reports for single audit entities (instead of separately collecting reports or certifications)
  - Explicit obligation to assess risk of each potential subrecipient, with list of factors to consider
- Increased subrecipient monitoring burdens
  - Explicit lists of mandatory and optional factors to be included in subrecipient monitoring
  - New obligation –ability to prove that you received/reviewed your subrecipient's performance and financial reports
- **F&A improvements**
  - Sponsors obligated to honor our negotiated F&A rate
  - Subrecipients without a negotiated rate can get an automatic 10% MTDC F&A rate

Uniform Guidance
2 CFR 200

Performance Measurement (Financial and Performance Reporting)

BAD

- Stronger certification language reminds signers of statutory penalties for false certifications
- Increased focus on obligation to relate progress/ performance to per-unit cost where possible

Uniform Guidance
2 CFR 200

Changes in Effort Reporting

GOOD

- Changes are promising but not yet entirely clear
  - Eliminated the word “certification”
  - Eliminated the specific examples of methods acceptable for effort validation
  - Continues the flexibility that allows short term (1-2 months) fluctuations among workload categories without need to repeatedly adjust payroll
  - Requires that labor distribution is reasonable over the longer term and that the Recipient ensures the final amount is accurate, allowable, and properly allocated
  - Requires after-the-fact validation that the estimates are accurate if estimates are used up front
  - Charges must still be based on percentage distribution of total **institutional base salary activities** if time cards aren’t used
  - Non-exempt staff must indicate the total number of hours worked each day

Uniform Guidance
2 CFR 200

Changes in Direct Costing Rules

GOOD

- Administrative and Clerical Salaries
  - Can be direct charged under certain circumstances (services provided are integral to the award, specifically identified with the activity, explicitly included in the budget or have prior written approval of the Federal agency).
- Protocol-Related and Data-Related Costs
  - Can be direct charged for developing and maintaining protocols (human, animals, etc.) managing substances, managing and securing project specific data, and coordinating research subjects
- Dependent Care During Conferences Beyond the Non-Federal Entity
  - Can be direct charged if the entity has a consistent policy paying these costs (across all fund sources).
- Entertainment Costs
  - Still unallowable unless it has a specific programmatic purpose and is approved in the budget or by federal agency written approval

Uniform Guidance
2 CFR 200

Changes in Direct Costing Rules

MIX

- Publication Costs (Page Charges)
  - Page charges are still allowable costs after award end date but before closeout (in essence, adoption of the NSF model)
- Computing Devices
  - Devices under $5,000 may be direct charged (allocable portion only) if essential to the performance of the Federal award.
- Program Income
  - New “default” treatment is deduction (reduce amount of federal award and use program income to replace that funding) unless the agency specifies otherwise in its award.
  - Definition now includes license fees and royalty income earned on patents and copyrights during the award period of performance

Uniform Guidance
2 CFR 200

Changes in Direct Costing Rules

MIX

- Participant Support Costs
  - Require prior agency approval
- Conference Expenses
  - Now includes the concept of dissemination of technical information beyond the Recipient - so presumably within-the-University meetings don't qualify
- Visa Costs
  - Short-term, travel visas (as opposed to longer-term, immigration visas) are allowable costs
- Consultant/Professional Services Costs
  - Still allowable, but will now be subject to a significant number of factors

Uniform Guidance
2 CFR 200

- University has formed a subcommittee to address this new guidance
- Representatives from different areas that are impacted
- Assessing impact on current policies and procedures
- OSP is the lead and we will keep community informed

OSP Brown Bag

Workday Grants Update

OSP Brown Bag

- Office of Sponsored Projects (OSP) continues to offer training sessions to departments on how to run grant reports
- OSP is developing a custom report (i.e. Budget to Actual) meant to address limitations of current Manager Budgetary Balance Report (including greater details)
  - end of April
- Workday and OSP are developing Grants "Dashboard" for Principal Investigators and/or Cost Center Managers to summarize key information
  - Award Portfolio by Sponsor – April
  - Expiring Awards – April
  - Award Summaries, including - award amount, expenses to date, obligations, and remaining balance and cash balance/billing details under development - Fall

Invoicing

- **Invoicing for our sponsored awards is up to date for all billing periods through February.**
- July – November :
  - Delay in preparing standard monthly invoices due to limitations in WD functionality (i.e. establishment of billing limits, historical billed amounts and related reporting). This was expected and communicated to grants managers.
  - During this period OSP was manually creating invoices required for close-out or annual reports, contracts, and additionally upon sponsor request.
- December – Early January:
  - WD invoicing functionality completed and OSP began to create invoices for all our outstanding monthly billings.
- OSP now current with all invoices and expects to remain current going forward.
  - OSP averages 400 invoices per month.
  - Salary reallocations for grants – more than 1600 – have been processed for July – December. This step was critical for effort certification and grant reporting/management.

Invoicing

- Federal Program Officers monitor spend rates based on invoices.
  If spend rates seem to be lagging, Program Officers sometimes call PI's with questions regarding activity.

- In fact, Federal invoicing data lags actual invoicing so Program Officers often are calling based on old data.

- **If called by a Program Officer, please refer him/her to Office of Sponsored Programs**

Award Cost Processing

After a direct expenditure is recorded then:

- Apply F&A expenditures based on rules set up for the award
- Recognize revenue for sponsor's share of both direct and F&A expenditures
- Make direct and F&A expenditures available to invoice (bill our sponsors)

Award Cost Processing

Timing of Award Cost Processing:

- Settlement
  - Payroll, Fringe Benefit Allocation, Expense Report, Supplier Invoice, Ad Hoc Payment
- Completion/Approval
  - Journals

Award Cost Processing

Timing of Award Cost Processing:

- Direct Costs and F&A Costs can be in two different periods
  - Supplier Invoice Approved Nov 23 and settled/paid Dec. 23
  - Direct Cost is in Nov.
  - F&A Cost is in Dec

Cost Sharing Definition

What is Cost Sharing?

Cost Sharing Definition:

- A portion of total sponsored project/program costs not funded by the sponsor
  - Must be part of the proposed project S.O.W. & budget
- All contributions, including cash and in-kind, that a recipient makes to an award
- It is further defined as either Mandatory or Voluntary

Definitions

Mandatory Cost Sharing:

- Required by the Sponsor
- Identified or quantified in the proposal
- A condition of receiving the award
- A commitment of the University
- Must be captured and documented

Definitions

Voluntary Cost Sharing:

- Not required by the Sponsor
- Further defined as Committed or Uncommitted

Definitions

Voluntary Committed Cost Sharing:

- Identified or quantified in the proposal
- A Commitment of the University
- Must be captured and Documented

Voluntary Committed Cost Share

Example:

There is no Sponsor requirement to cost share

- PI annual salary is $120,000
- PI commits 50% effort to project in the proposal
- Total PI salary = $60,000
- Budget includes PI salary at $30,000 to the sponsor
- **The balance of $30,000 = Cost Share**

Cost Share must be approved at the proposal stage and accounted for at the award stage.

Definitions

Voluntary Uncommitted Cost Sharing:

- Not identified in the proposal, or any other communication to the Sponsor
- Not a condition of the award
- Not a binding commitment of the University
- Does Not require documenting or reporting

Voluntary Uncommitted Cost Share

Example:

- The award requires 50% effort for the PI.
- The PI actually spends 60% time on the project.
- The department only charges the 50% effort to the award.

The 10% effort over and above the budget (commitment) is voluntary uncommitted cost share and does not have to be documented.

If you want to track these costs DO NOT use Fund 120 and Grant Worktag

- **Please use Fund 100 and the Cost Center (CC) that is funding the expense. Program and Assignee Worktags are optional**

Assigning Worktags to Cost Shared Transactions

FINANCE

Source of Funding - Operating Funds:

- Enter Grant Worktag and then change defaulted Fund 500 to Fund 120
  - If another CC is funding the expense then the CC and BU need to change. Expense purpose code remains the one associated with the grant worktag

Source of Funding - Endowment or Gift Funds:

- Enter Grant Worktag then enter Endowment/Gift Worktag
- The Endowment/Gift default Worktags overwrite the Grant default Worktags

Assigning Worktags to Cost Shared Transactions

HCM-ASSIGN COSTING ALLOCATON

Source of Funding - Operating Funds:

Starting Point: Default worktags associated with the position (FD, BU, CC, Expense Purpose)

- Enter grant worktag
- Change fund worktag to Fund 120
- Change expense purpose code to the one associated with the grant
  - CC and BU are changed when the funding for this cost sharing is coming from another CC different than the one associated with the position

Assigning Worktags to Cost Shared Transactions

HCM-ASSIGN COSTING ALLOCATON

Source of Funding - Endowment or Gift Funds:

Starting Point: Default worktags associated with the position (FD, BU, CC, Expense Purpose)

- Enter grant worktag
- Change fund worktag to Fund 400 or Fund 600
- Change expense purpose code to the one associated with the grant

Reporting

- **Manager Budgetary Balance Report**
  - Award Calendar
    Start/End Dates
  - Expenses missing - contact your Grant/Contract Accountant

- **Sponsored Award Activity Statement**
  - Project to Date Expenses
    From Date → enter 13-July

Award Closeout

- **Removal of Overexpenditures**
  - More timely
  - Creating manual workarounds when this is not done
  - Potential – handle centrally – move to your cc

OSP Brown Bag

Effort Reporting Update

Effort Reporting Update

Current Effort Reporting Process:

- Paper based
  - Semi-Annual FY14 (July – December) and Summer FY14 due to OSP on 5/23/14
  - Bi-weekly and weekly:
    - 12/15/13- 1/11/14 – due April 16th
    - 1/12/14 - 2/8/14 – due April 29th
    - 2/9/14 – 3/8/14 – due June 4th

Effort Reporting Update

Next Steps:

- Due to current limitations of WD Effort Functionality and the new OMB Uniform Guidance, the rollout of the original WD Effort Reporting configuration is on hold
  - Testing a streamlined configuration
    - Excludes processing salary reallocations through WD

Effort Reporting Update

Three Options Currently Under Consideration - Short Term :

- Option I:
  - Utilize WD Effort Reporting to electronically distribute effort reports
- Option II:
  - Utilize WD Effort Reporting for electronic distribution and certification
- Option II:
  - Continue with the paper based effort reporting process

Effort Reporting Update

OMB Uniform Guidance

- Presents an opportunity to reassess the effort reporting process and consider other options to satisfy the requirement

- Focus on sound internal controls
  - One alternative: Project Certification

Effort Reporting Update

Project Certification

- One report for each project
- PI certifies effort for all employees working on their project(s)
  - Eliminates need for each employee on project to certifying effort
- Reporting Cycle: Annual

Effort Reporting Update

Effort Reporting Subcommittee

- Representatives from various departments
- Forum to discuss issues that have surfaced with the current manual/paper based process as well as the future of effort reporting
  - Certification of Undergraduate Students
    - OSP will be documenting a formal procedures/process to ensure consistent practices

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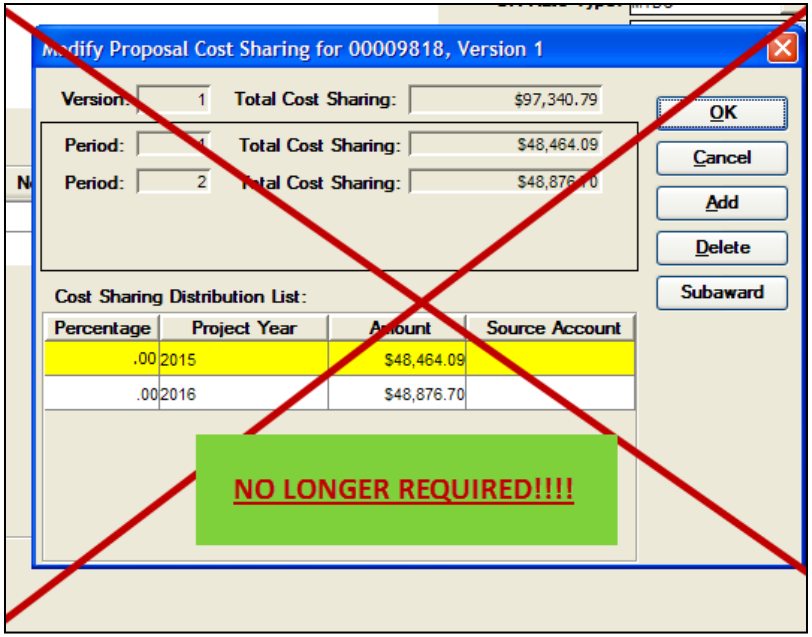
COEUS UPDATE

Coeus Update

Cost Sharing Process Update

- Cost Sharing Distribution will **no longer be required** in the Coeus Budget Section



Coeus Update

Cost Sharing Process Update – Continued…

- Coeus will automatically assign the appropriate Cost Sharing Type (previously captured in the Cost Sharing Distribution window) using the details from the Cost Elements in the budget.

- The Cost Sharing Types and amounts will automatically be prorate it by Fiscal Years in the Institute Proposal and Award records.

Coeus Update

If Coeus "Sees"… Cost Share Amounts Under the Following Budget Categories:	It Will Automatically Map the Cost Share to the Following Cost Sharing Types in the Institute Proposal Record (& Prorate it by Fiscal Years):
Equipment	Equipment
NIH CAP Salary Cost Elements	NIH Cap (Tracking Purposes Only)
All Other Salary Cost Elements	Salary and Fringe
MTDC – Indirect Cost	System F&A Cost Share (Tracking Purposes Only)
TDC – Indirect Cost	System F&A Cost Share (Tracking Purposes Only)
Subcontracts	Non-Brown Cost Share
Everything Else	Other Direct Cost

Coeus Update

New Cost Sharing Questionnaires:

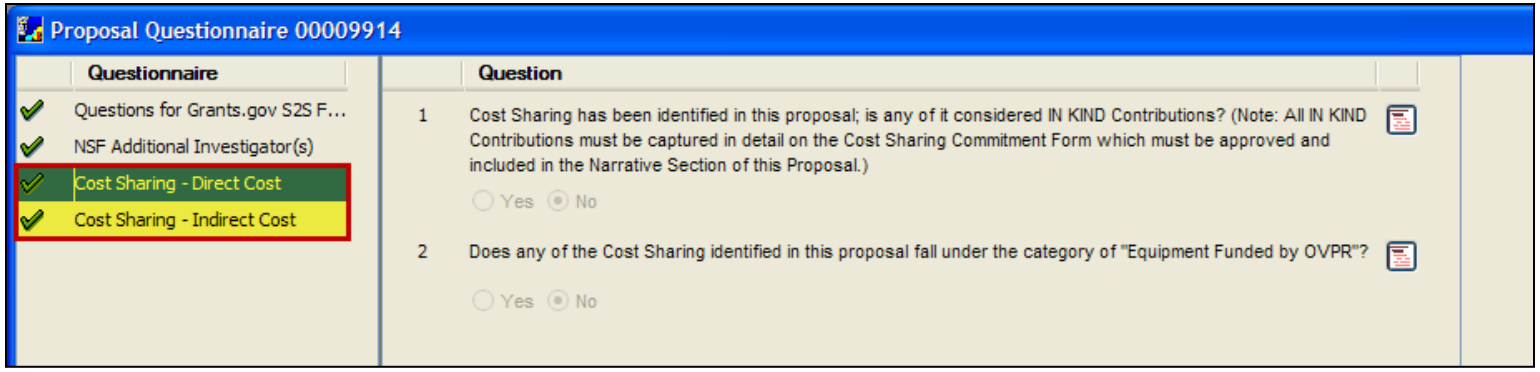
- **Cost Sharing – Direct Cost**
  This questionnaire is to determine if there is any Cost Sharing that is considered "In Kind" or "Equipment Funded by OVRP"

- **Cost Sharing – Indirect Cost**
  This questionnaire is to determine if any of the "Indirect Cost" that are being Cost Shared are funded by OVPR.

* These questionnaires will be appropriately triggered based on the information in your budget.

Coeus Update

New Cost Sharing Questionnaires:



Coeus Update

Cost Sharing Commitment Form

- The **Cost Sharing Commitment Form** is still required and it must include the Cost Sharing breakdown by the various Cost Sharing Types and the appropriate approvals.
- The form must be uploaded in the Narrative/Upload Attachments Section of Coeus under the following Narrative Type:
  - Cost Sharing Commitment Form

Coeus Update

NIH Title Update in Coeus

- Coeus has been updated to allow the length of NIH Proposal Titles to be up to 200 characters

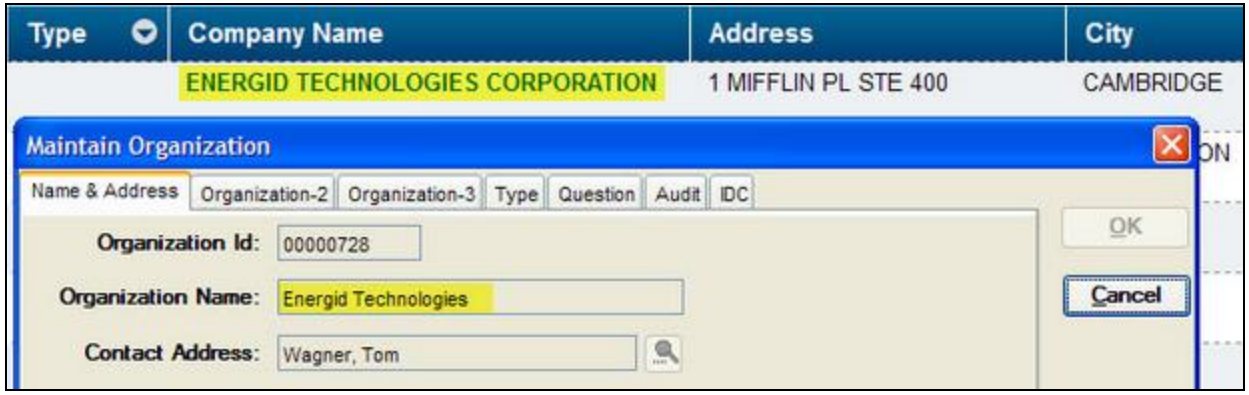
(NIH titles will no longer be truncated to 81 characters)

NOTE: When submitting a Revision application, applicants must use the exact project title displayed in eRA Commons for the awarded application. If the project title of the awarded grant was previously truncated to 81 characters, then only those 81 characters can be used for the Revision application.

Coeus Update

Organizations' Names in Coeus

- With the new Uniform Guidance updates, we will be required to ensure that the Subcontract Organization Name we use (on proposals, subcontracts issued, etc.) is the same as the name the Organization uses in their DUNS record.



Coeus Update

Organizations' Names in Coeus – Continued…

- We have started using this new process for entering new Organizations in Coeus so you may notice that the name you provide us might sometimes be different from the name you will see in Coeus.

- Also, we will be cleaning up the existing Organizations in Coeus to ensure that all follow this new requirement.

Brown Bag Listserv

To be added to OSP's Brown Bag Listserv, please email:

Shelly_Hull@brown.edu