

2015  
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## Taking the Ugh! Out of the UG



## The Uniform Guidance

*One of the most important steps in  
federally sponsored program  
management in decades.....*

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## The Uniform Guidance



–Are you serious????? I just learned all that stuff in OMB Circulars A-21, A-110 and A-133!!!!!!!



–Oh my!!!! What if I do something wrong?



–Please, please, please, can I have my old rules back?



## The Uniform Guidance



Really, a federal document that is easy to understand?



Seriously, I can charge computers to my grant?  
Hooray!!!!!!!



## Why Revise Previous Circulars and Guidance?

- Too many different “voices” and rules in a time of increasing collaborations
- Need for improved guidance and streamlining of the grant management process
- Bringing the rules into the current environment (for example, “computers”)
- Reduce fraud (but the burden of management is on the recipient)



## Reduce Administrative Burden

- Administrative burden surveys indicate faculty spend almost 42% of their time managing research instead of actually conducting research
- Previous guidance was too prescriptive and burdensome on recipients

## Streamline Governance



- The **GOAL** of this reform is to:
  - streamline our guidance for Federal awards to **ease administrative burden** and
  - strengthen oversight over Federal funds to **reduce risks of waste, fraud, and abuse.**
- Will increase the **efficiency and effectiveness** of Federal awards
- **Conflicting** Perspectives: Audit, Agencies, and Recipients

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We got what we wanted...

Less prescriptive  
“rules”



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# What is the UG?

- The Uniform Guidance, or UG, is the Federal government’s new streamlined guidance combining all of the Office of Management and Budget Circulars related to governance of grants and cooperative agreements (700+pages)
- It also embodies certain aspects of contract requirements
- Applies to new awards and incremental funding made after December 26, 2014
- Interim transition period may involve managing to two sets of rules (previous Circulars and new UG)



# Uniform Guidance

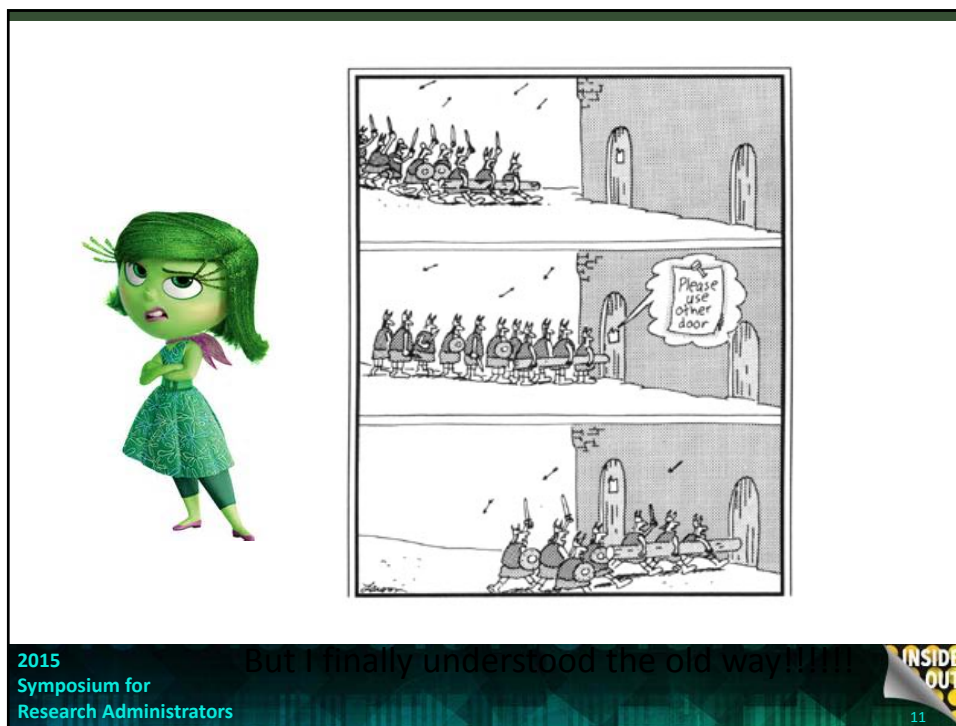
## Compliance Requirements At A Glance

The table below summarizes the Federal administrative requirements, cost principles and audit requirements applicable to the various types of grantee organizations.

Compliance Requirements At A Glance			
Grantee Type	Admin Requirements	Cost Principles	Audit Requirements
State & Local Governments	<a href="#">A-102 (45CFR Part 92)</a>	<a href="#">A-87 (2.CFR.Part.225</a> - PDF 362 KB)	<a href="#">A-133</a> (PDF 172 KB)
College & Universities	<a href="#">A-110 (2.CFR.Part.215)</a> Formerly at (45 CFR Part 74)	<a href="#">A-21 (2.CFR.Part.220</a> - PDF 384 KB)	<a href="#">A-133</a> (PDF 172 KB)
Non-Profits	<a href="#">A-110 (2.CFR.Part.215)</a> Formerly at (45 CFR Part 74)	<a href="#">A-122 (2.CFR.Part.230</a> - PDF 362 KB)	<a href="#">A-133</a> (PDF 172 KB)
Hospitals	<a href="#">A-110 (2.CFR.Part.215)</a> Formerly at (45 CFR Part 74)	45 CFR Part 74, App E	<a href="#">A-133</a> (PDF 172 KB)
For-Profits	<a href="#">A-110 (2.CFR.Part.215)</a> Formerly at (45 CFR Part 74)	<a href="#">FAR.31.2 (48.CFR.Subpart.31.2)</a>	<a href="#">45.CFR.Part.74.26</a>
Foreign	<a href="#">2.CFR.Part.215</a> (formerly 45 CFR Part 74 or Part 92)	As stated above for grantee type	<a href="#">NIH.GPS</a> (same as <a href="#">45.CFR.Part.74.26</a> )

- Notice of Award (NoA). Grantees must comply with all terms and conditions in the NoA. The Notice of Award may include both standard and special conditions that are considered necessary to attain the grant’s objectives, facilitate post award administration of the grant, conserve grant funds, or otherwise protect the Federal Government’s interests.
- [NIH Grants Policy Statement](#) - The NIHGPS is a term and condition for all NIH grant awards. By drawing funds from the payment system, the grantee indicates acceptance of an NIH award and its associated terms and conditions.





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But I finally understood the old way!!!

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### Areas of significant change

- Must/Should
- Internal controls
- Procurement
- Clerical/ Administrative Salaries
- Family Friendly & "Modern" Language
- Subrecipient Monitoring
- Effort reporting

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## Important Concepts in OMB Circulars

- Purpose and Scope – What Applies
- Pre-award Guidance to Agencies
- Post-award Requirements and Standards
- Accumulating and Charging Costs
- Audit Standards

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## Uniform Guidance Structure

- Preamble – [Major Policy Reforms](#)
- Subpart A (200.0 – 200.99) – [Acronyms and Definitions](#)
- Subpart B (200.100 – 200.113) – [General Provisions](#)
- Subpart C (200.200 – 200.211) – [Pre-Award Requirements](#)
- Subpart D (200.300 – 200.345) – [Post-Award Requirements](#)
- Subpart E (200.400 – 200.475) – [Cost Principles](#)
- Subpart F (200.500 – 200.521) – [Audit Requirements](#) (includes Appendices I-XI)





## Subpart B: General Provisions

- **Contents**
  - [§200.100 Purpose.](#)
  - [§200.101 Applicability.](#)
  - [§200.102 Exceptions.](#)
  - [§200.103 Authorities.](#)
  - [§200.104 Supersession.](#)
  - [§200.105 Effect on other issuances.](#)
  - [§200.106 Agency implementation.](#)
  - [§200.107 OMB responsibilities.](#)
  - [§200.108 Inquiries.](#)
  - [§200.109 Review date.](#)
  - [§200.110 Effective/applicability date.](#)
  - [§200.111 English language.](#)
  - [§200.112 Conflict of interest.](#)
  - [§200.113 Mandatory disclosures.](#)

## Subpart C—Pre-Federal Award Requirements and Contents of Federal Awards

- [§200.200 Purpose.](#)
- [§200.201 Use of grant agreements \(including fixed amount awards\), cooperative agreements, and contracts.](#)
- [§200.202 Requirement to provide public notice of Federal financial assistance programs.](#)
- [§200.203 Notices of funding opportunities.](#)
- [§200.204 Federal awarding agency review of merit of proposals.](#)
- [§200.205 Federal awarding agency review of risk posed by applicants.](#)
- [§200.206 Standard application requirements.](#)
- [§200.207 Specific conditions.](#)
- [§200.208 Certifications and representations.](#)
- [§200.209 Pre-award costs.](#)
- [§200.210 Information contained in a Federal award.](#)
- [§200.211 Public access to Federal award information.](#)
- [§200.212 Suspension and debarment.](#)

## Subpart D: Post Federal Award Requirements

### Standards for Financial and Program Management

- [§200.300 Statutory and national policy requirements.](#)
- [§200.301 Performance measurement.](#)
- [§200.302 Financial management.](#)
- [§200.303 Internal controls.](#)
- [§200.304 Bonds.](#)
- [§200.305 Payment.](#)
- [§200.306 Cost sharing or matching.](#)
- [§200.307 Program income.](#)
- [§200.308 Revision of budget and program plans.](#)
- [§200.309 Period of performance.](#)
- [Property Standards](#)
  - [§200.310 Insurance coverage.](#)
  - [§200.311 Real property.](#)
  - [§200.312 Federally-owned and exempt property.](#)
  - [§200.313 Equipment.](#)
  - [§200.314 Supplies.](#)
  - [§200.315 Intangible property.](#)
  - [§200.316 Property trust relationship.](#)
- [Procurement Standards](#)
  - [§200.317 Procurements by states.](#)
  - [§200.318 General procurement standards.](#)
  - [§200.319 Competition.](#)
  - [§200.320 Methods of procurement to be followed.](#)
- [§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.](#)
- [§200.322 Procurement of recovered materials.](#)
- [§200.323 Contract cost and price.](#)
- [§200.324 Federal awarding agency or pass-through entity review.](#)
- [§200.325 Bonding requirements.](#)
- [§200.326 Contract provisions.](#)
- [Performance and Financial Monitoring and Reporting](#)
  - [§200.327 Financial reporting.](#)
  - [§200.328 Monitoring and reporting program performance.](#)
  - [§200.329 Reporting on real property](#)
- [Subrecipient Monitoring and Management](#)
  - [§200.330 Subrecipient and contractor determinations.](#)
  - [§200.331 Requirements for pass-through entities.](#)
  - [§200.332 Fixed amount subawards.](#)
- [Record Retention and Access](#)
  - [§200.333 Retention requirements for records.](#)
  - [§200.334 Requests for transfer of records.](#)
  - [§200.335 Methods for collection, transmission and storage of information.](#)
  - [§200.336 Access to records.](#)
  - [§200.337 Restrictions on public access to records.](#)
- [Remedies for Noncompliance](#)
  - [§200.338 Remedies for noncompliance.](#)



## Subpart D: Post Federal Award Requirements (Con't.)

- [§200.339 Termination.](#)
- [§200.340 Notification of termination requirement.](#)
- [§200.341 Opportunities to object, hearings and appeals.](#)
- [§200.342 Effects of suspension and termination.](#)
- [Closeout](#)
  - [§200.343 Closeout.](#)
  - [Post-Closeout Adjustments and Continuing Responsibilities](#)
- [§200.344 Post-closeout adjustments and continuing responsibilities.](#)
- [Collection of Amounts Due](#)
  - [§200.345 Collection of amounts due.](#)



## Subpart D – Post Award Requirements

### Financial and Program Management – Examples from A-110 and the UG

- Standards for financial management systems (See C.21.(b).(1) (UG 200.302 b2) , and C.21.(b).(7) (UG 200.302 b3) for example)
- Standards for determining allocability, allowability and reasonableness (C.21.(b).(6) ) (UG 200.302 b7)
- Payment (UG 200.305)
- Cost sharing or matching (C.23.) (UG 200.306) – Includes AAR language, and when unrecovered indirect costs may be used as cost sharing (C.23.(b). ) (UG 200.306 c)
- Program income (C.24.) (UG 200.307)

## Revision of Budget & Program Plans UG 200.308

- Recipients must report deviations from budget and program plans and request prior approval for ... revisions UG 200.308 b
- Changes which require sponsor prior approval: UG 200.308 c
  - Change in scope UG 200.308 c1
  - Change in key person specified in the application or award document UG 200.308 c2
  - The disengagement for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator UG 200.308 c3
  - Need for additional Federal funding not specifically addressed in UG

## Revision of Budget & Program Plans, cont'd.

- The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense (UG 200.308 c5)
- Unless described in the application and funded in the approved awards, the subaward, transfer or contracting out of any work under the award. Does not apply to purchase of materials & supplies, equipment or general support services (UG 200.308 c6)

## Prior Approval Guidance in the UG

- Appears 66 times
- Caution in what is allowable but requires prior approval



Posted for Public comment – May not be resolved until next year

Federal-Wide Research Terms and Conditions

[Federal Register Notice - Research Terms and Conditions to address and implement the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(Uniform Guidance\), 2 CFR § 200 - October 14, 2015](#)  
[Draft Research Terms and Conditions Overlay to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(Uniform Guidance\), 2 CFR § 200](#)

Does not include DOD terms and conditions

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# Duke Prior Approval Matrix



## Federal Prior Approval and Other Requirements Matrix -- Updated 06.30.2015

1) For use on Duke University awards subject to the Uniform Guidance until new Research Terms and Conditions are available.  
 2) If agency is not listed, the award should be managed in accordance with the terms and conditions of the award, the Uniform Guidance, and Duke policy.  
 3) A post-award prior approval request should be routed through OSP or OMA, who will submit it to the Federal Agency.  
 4) All information is subject to change as agency implementations and policies are released.

\*Any of the letters noted on this chart may be over-riden by special term or condition of the award

	Uniform Guidance Citations(s)	Uniform Guidance Determination	EPA	NIH	HGF	OMR	Comments
<b>General Requirements</b>							
Change in Scope	200.308(c)(1) & 200.308(d)(1)	R	R	R	R	R	
Disengagement or Change of PI	200.308(c)(2) & 200.200(h)(5)	R	R	R	R	R	Disengagement of more than 3 months or 25% or greater reduction in level of committed effort
Change in key persons specified in the award	200.308(c)(2)	R	R	R	R	R	
Change in key persons specified in the application	200.308(c)(2)	R	R	W	R	R	
New for Additional Funding	200.308(c)(8) & 200.308(g)(2)	R	R	R	R	R	
New subawards not already approved in awarded budget	200.308(c)(6)	R	R	UG	R	UG	
Transferring of scope of work	200.308(c)(9)	R	R	R	R	R	
Issuing fixed amount subawards up to Simplified Acquisition Threshold	200.308(c)(4) & 200.323	R	R	W	R	R	
Pre-award costs (90 days)	200.308(d)(1), 200.308(d)(4), & 200.458	W	W	W	W	W	
Pre-award costs (more than 90 days)	200.308(d)(1)	R	R	R	R	R	
Initial no-cost extension of up to 12 months (per competitive segment)	200.308(d)(2) & 200.308(d)(4)	W	W	W	W	R	
Subsequent no-cost extension of extension of more than 12 months	200.308(d)(2) & 200.77	R	R	R	R	R	
Carry-forward of unexpended balances to subsequent periods of performance	200.308(d)(3) & 200.308(d)(4)	W	W	W	W	W	
<b>Cost-related Requirements</b>							
Rebudgeting among budget categories	200.308(a)	May be required	UG	W	W	UG	Follow agency terms & conditions
Rebudgeting between direct and F&A costs	200.308(c)	May be required	UG	W	W	UG	Follow agency terms & conditions
Rebudgeting of funds allotted for training allowances (direct payment to trainees) and participant support costs to other categories of expense	200.308(c)(5) & 200.458	R	R	R	R	R	
Special Purpose Equipment not in approved budget	200.439(b)(2)	R	UG	W	UG	UG	
Direct charge of salaries of administrative or clerical staff	200.413(c)	R	UG	W**	R	UG	
Rearrangement and reconversion (Alteration & Renovation) costs	200.462	R	UG	W**	W**	UG	
Foreign Travel		Silent	R	W	W	R	
Faculty external consulting compensation that exceeds base salary	200.432(n)	R	R	W**	R	R	

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## How Will this Impact NIH Grants Management?

- §75.407 Prior written approval (prior approval):
  - Within the NIH GPS Chapter 8.1.1.2, NIH will continue its longstanding policy to not require prior approval to rebudget funds for any direct cost item that the cost principles identify as requiring the Federal awarding agency's prior approval, unless the incurrence of the cost is associated with or is considered to be a change in scope. As a result, this will apply to the following provisions;
    - 75.306 Cost Sharing or Matching – The recipient may include unrecovered indirect cost as part of cost sharing or matching without prior approval.
    - 75.413 Direct Cost – Approval is granted for the recipient to direct charge the salaries of administrative and clerical staff if all conditions in 45 CFR part 75.413 are met.
    - 75.439 Equipment and other capital expenditures – Unless otherwise specified in the award, the requirement to obtain prior approval for special purpose equipment over \$5,000 is waived. <sup>6</sup>

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## How will this Impact NSF Awards?

### 2. Prior Approval Requirements - NSF

Unless otherwise specified in the notice of award, the Federal administrative requirements for prior agency approval summarized in 2 CFR § 200.308, and the provisions of the governing cost principles, the requirement to obtain NSF prior approval applies only to the activities and expenditures specified below.

a. Consistent with 2 CFR § 200, written prior approval from the cognizant NSF Grants and Agreements Officer is required for:

1. Significant Project Changes

(a) Transfer of the project effort (see Article 8. See also 2 CFR § 200.308)

(b) Change in objective or scope (see Article 8. See also 2 CFR § 200.308)

(c) Disengagement or change of PI/PD or co-PI/co-PD (see Article 8. See also 2 CFR § 200.308)

(d) Change in the amount of approved cost sharing reflected on Line M of the grant budget (see Article 29)

2. Rearrangement and Reconversion Costs (see Article 11)

3. Salaries of administrative or clerical staff (see 2 CFR § 200.405)

4. Travel costs for dependents (see Article 10. See also 2 CFR § 200.464)

5. Additional categories of participant support costs other than those described in 2 CFR § 200.75 (see Article 7. See also 2 CFR § 200.75 and the NSF *Grant Proposal Guide* (GPG) Chapter II.C.2.g(v)).

b. Written prior approval from the cognizant NSF Program Officer is required for transfer of funds budgeted for participant support (see Article 7. See also 2 CFR § 200.308(c)(5)).



Yes, we got what we wanted...

Less  
prescriptive  
“rules”



Emphasis on  
internal  
controls



## Subpart D-Post Award Internal Controls

<b>UG Section 200.303</b>	Recipients <b>must</b> maintain effective internal controls over federal awards
	Controls <b>should</b> be in compliance with <b>COSO</b> and Green Book
	Recipients <b>must</b> comply, evaluate and monitor compliance, and take action when non-compliance is identified
	Recipients <b>must</b> take reasonable measures to safeguard personal data

## Internal Controls

200.303, Internal Controls Non-Federal entities must -

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. **These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).**
- Comply with Federal statutes, regulations, & terms and conditions
- Evaluate and monitor compliance
- Take prompt action on audit findings
- Safeguard protected personally identifiable information



University of  
Wisconsin – Madison  
(3/22/13)

- IC weaknesses and significant issues on construction project

Boston University  
(3/31/11)

- Inadequate IC to ensure that cost share is properly identified, recorded, reported and monitored.

University of  
Missouri – Columbia  
(3/3/10)

- Compliance and IC deficiencies in financial management of subaward and payroll costs.

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## Subpart E: Cost Principles

**Subpart E—Cost Principles**

**Contents**

<p><b>GENERAL PROVISIONS</b></p> <p>\$200.400 Policy guide</p> <p>\$200.401 Application</p> <p><b>BASIC CONSIDERATIONS</b></p> <p>\$200.402 Composition of costs.</p> <p>\$200.403 Factors affecting allocability of costs.</p> <p>\$200.404 Reasonable costs.</p> <p>\$200.405 Allocable costs.</p> <p>\$200.406 Applicable credits.</p> <p>\$200.407 Prior written approval (prior approval).</p> <p>\$200.408 Limitation on allowance of costs.</p> <p>\$200.409 Special considerations.</p> <p>\$200.410 Collection of unallowable costs.</p> <p>\$200.411 Adjustment of previously negotiated indirect (F&amp;A) cost rates containing unallowables.</p> <p><b>DIRECT AND INDIRECT (F&amp;A) COSTS</b></p> <p>\$200.412 Classification of costs.</p> <p>\$200.413 Direct costs.</p> <p>\$200.414 Indirect (F&amp;A) costs.</p> <p>\$200.415 Required certifications.</p> <p><b>SPECIAL CONSIDERATIONS FOR STATES, LOCAL GOVERNMENTS AND INDIAN TRIBE</b></p> <p>\$200.416 Cost allocation plans and indirect cost proposals.</p> <p>\$200.417 Interagency service.</p> <p><b>SPECIAL CONSIDERATIONS FOR INSTITUTIONS OF HIGHER EDUCATION</b></p> <p>\$200.418 Costs incurred by states and local governments.</p> <p>\$200.419 Cost accounting standards and disclosure statement.</p> <p><b>GENERAL PROVISIONS FOR SELECTED ITEMS OF COST</b></p> <p>\$200.420 Considerations for selected items of cost.</p> <p>\$200.421 Advertising and public relations.</p> <p>\$200.422 Advisory contracts.</p> <p>\$200.423 Alcoholic beverages.</p> <p>\$200.424 Amusement activities.</p> <p>\$200.425 Audit services.</p> <p>\$200.426 Bad debts.</p> <p>\$200.427 Bonding costs.</p> <p>\$200.428 Contributions of employee payments.</p> <p>\$200.429 Commencement and convocation costs.</p> <p>\$200.430 Compensation—personal services.</p> <p>\$200.431 Compensation—fringe benefits.</p> <p>\$200.432 Conferences.</p> <p>\$200.433 Contingent provisions.</p> <p>\$200.434 Contributions and donations.</p> <p>\$200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and judgments.</p> <p>\$200.436 Depreciation.</p> <p>\$200.437 Employee health and welfare costs.</p> <p>\$200.438 Entertainment costs.</p> <p>\$200.439 Equipment and other capital expenditures.</p> <p>\$200.440 Exclusion rates.</p>	<p>\$200.441 Fines, penalties, damages and other settlements.</p> <p>\$200.442 Fund raising and investment management costs.</p> <p>\$200.443 Gains and losses on disposition of depreciable assets.</p> <p>\$200.444 General costs of government.</p> <p>\$200.445 Goods or services for personal use.</p> <p>\$200.446 Idle facilities and idle capacity.</p> <p>\$200.447 Insurance and indemnification.</p> <p>\$200.448 Intellectual property.</p> <p>\$200.449 Interest.</p> <p>\$200.450 Lobbying.</p> <p>\$200.451 Losses on other awards or contracts.</p> <p>\$200.452 Maintenance and repair costs.</p> <p>\$200.453 Materials and supplies costs, including costs of computing devices.</p> <p>\$200.454 Memberships, subscriptions, and professional activity costs.</p> <p>\$200.455 Organization costs.</p> <p>\$200.456 Participant support costs.</p> <p>\$200.457 Plant and security costs.</p> <p>\$200.458 Pre-award costs.</p> <p>\$200.459 Professional service costs.</p> <p>\$200.460 Proposal costs.</p> <p>\$200.461 Publication and printing costs.</p> <p>\$200.462 Reamangement and reconversion costs.</p> <p>\$200.463 Recruiting costs.</p> <p>\$200.464 Relocation costs of employees.</p> <p>\$200.465 Rental costs of real property and equipment.</p> <p>\$200.466 Scholarships and student aid costs.</p> <p>\$200.467 Selling and marketing costs.</p> <p>\$200.468 Specialized service facilities.</p> <p>\$200.469 Student activity costs.</p> <p>\$200.470 Taxes (including Value Added Tax).</p> <p>\$200.471 Termination costs.</p> <p>\$200.472 Training and education costs.</p> <p>\$200.473 Transportation costs.</p> <p>\$200.474 Travel costs.</p> <p>\$200.475 Trustees.</p>
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## GAPS IMPACTED

200.80: Equipment Screening & Shared Use
200.100: Capital Equipment
200.110: Excess Federal Gvmt Property
200.140: Cost Sharing
200.150: Cost Transfers
200.160: Rebudgeting
200.170: Effort Reporting
200.280: Subrecipient Monitoring
200.290: Program Income
200.300: Service Center Administration
200.310: Tuition Remission
200.320: Direct Costing
200.330: Facilities & Administrative (Indirect) Costs
200.340: Cost Accounting Standards (CAS)
200.360: Charging Clerical And/Or Administrative Expenses
200.370: Procurement

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# Uniform Guidance Communications

- Brief discussions of Uniform Guidance clarifications or elaborations on discrete topics
- Distributed online & through email
- Incorporated into training, formal communication schedule, ORA/ORS quarterly meetings, etc.
- Sample included in supplemental packet

<b>Duke UNIVERSITY</b>	<b>Uniform Guidance Communication</b>
Topic:	PI Disengagement
Priority:	Communication of changes to PI Disengagement
Uniform Guidance Communication ID:	#12012012 - Federal awards in the Uniform Guidance
Version:	1.0
Issued on:	June 24, 2015
Replaces:	None

UD Number: [12012012-000](#)

The Uniform Guidance has clarified the concept of "absence" of a PI for more than three months. Disengagement from a project by a PI, Co-PI, Project Director or Co-Project Director is defined by any of the following circumstances:

- complete withdrawal from the project
- complete absence of any involvement of research under the terms and conditions of the contract for a continuous period of 90 days or more
- a reduction of 25% or more in the awards to the project over the current budget period
- absence or suspension of active direction of the project

Duke University interprets Disengagement as the complete discontinuation of the PI from the conduct of the sponsored project, including project leadership, decision-making and financial oversight. Note: Disengagement does not affect the sponsor's obligation to the sponsor's leadership, decision-making and financial oversight of the project and project activities.

**Recommended Departmental Best Practices**

- As soon as practicable upon notice of the planned or unplanned disengagement of a PI from a project, ORA/ORS should be alerted.
- The department should work with ORA/ORS to ensure appropriate notification is submitted to the federal sponsor of the disengagement.
- Departments should ensure that the appropriate charges to offset disengagement are made upon PI disengagement.



## FYI: Uniform Guidance Communications

GAPs			UGCs				
200.80	Eqpmt Screen & Shared Use	In revision					
200.140	Cost Sharing on Sponsored Projects	Finalized					
200.160	Rebudgeting	In revision	2.0	Clerical & Admin Costs			
200.280	Subrecipient Monitoring	Finalized	4.0	Subrecip. F&A Rates			
			11.0	Subrecip. Vs Contractor			
200.320	Direct Costing	Finalized	2.0	Clerical & Admin Costs		12.0	Travel (Airfare)
			3.0	Computers		13.0	Participant Support
			6.0	Exchange Rates		14.0	Publication
			7.0	Travel Visas			
			8.0	Value Added Tax			
200.330	F&A (Indirect) Costs	Finalized	4.0	Subrecip. F&A Rates			
200.360	Charging Clerical &/Or Administrative Expenses	In revision	2.0	Clerical & Admin Costs			
200.XXX	Compensation for Personnel Services	In developmt	9.0	Research Personnel			
			5.0	PI Disengagement			
			9.0	Research Personnel			
			10.0	Institutional Base Salary (TBD)			



## UG 200.474 Travel Costs


- UG 200.474 Travel costs
  - Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the institution in its regular operations as the result of the institution's written travel policy.
- UG (c)(1) Temporary dependent care costs (as dependent care defined in 26 U.S.C. 152) above and beyond regular dependent care that directly results from travel to conferences is allowable provided that:
  - (i) The costs are a direct result of the individual's travel for the Federal award;
  - (ii) The costs are consistent with the non-Federal entity's documented travel policy for all entity travel; and
  - (iii) Are only temporary during the travel period.
- (2) Travel costs for dependents are unallowable, except for travel of duration of six months or more with prior approval of the Federal awarding agency.

## Airfare

- (d) *Commercial air travel.* (1) Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:
  - (i) Require circuitous routing;
  - (ii) Require travel during unreasonable hours;
  - (iii) Excessively prolong travel;
  - (iv) Result in additional costs that would offset the transportation savings; or
  - (v) Offer accommodations not reasonably adequate for the traveler's medical needs.

## Travel Costs

- UG 200.474
  - Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the institution in its regular operations as the result of the institution's written travel policy.



## Uniform Guidance Communication #12

- Duke travel policy pertains for airfare costs
- Change fees up to the amount of the lowest unrestricted airfare cost are allowed
- Change must be for unavoidable circumstances, and not for convenience



## Clerical and Administrative Personnel (Formerly F.6.b.)

- (UG 200.413) The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:
- (1) Administrative or clerical services are integral to a project or activity;
- (2) Individuals involved can be specifically identified with the project or activity;
- (3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
- (4) The costs are not also recovered as indirect costs.

## Uniform Guidance Communication #2.1

- Document in proposal budget, no CAS form required
- If not in proposal budget, must request agency prior approval prior to charging – contact ORA/ORS for prior approval process
- If charges have already been made, cannot be cleared internally by a CAS form
- Only exception is items were included in budget and the WBSE did accurately reflect agency approval when award was set up



## Subrecipient Monitoring and Management

- Section 200.330 explains the roles of subrecipients and contractors so that the non-Federal entity can determine the relationship and the applicable requirements
- A non-Federal entity provides a **subaward to a subrecipient** for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship between the non-Federal entity and the subrecipient
- A non-Federal entity provides a **contract to a contractor** for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship between the non-Federal entity and the contractor
- What the document is called does not matter; the relationship is the basis for determining which requirements are applicable

## Subrecipient and Contractor Determinations

- 200.330 Pass through entities must make case-by-case determinations whether each agreement it makes for disbursement of Federal program funds casts the party receiving the funds in the role of subrecipient or contractor

## Subrecipients

- Subrecipients:
  - Carrying out a portion of a Federal award and creates a Federal assistance relationship
  - Entity is eligible to receive Federal assistance
  - Has its performance measured in relation to whether objectives of a Federal program were met
  - Has responsibility for programmatic decision making
  - Is responsible for adherence to applicable Federal program requirements specified in the award
  - Uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods and services for the benefit of a pass-through entity

## Contractors

- Contractors:
  - A contract will be executed for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor
  - Provides goods and services within normal business operations
  - Provides similar goods and services to many different purchasers
  - Normally operates in a competitive environment
  - Provides goods and services that are ancillary to the operation of the Federal program
  - Are not subject to compliance requirements of the Federal program as a result of the agreement



## Subrecipient Risk Assessment

- 200.331 (b) Evaluate each subrecipients risk of non-compliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring which may include consideration of such factors as:
  - Experience with the same or similar awards
  - Results of previous audits
  - Whether subrecipient has new personnel or new or substantially changed systems
  - Extent and result of federal awarding agency monitoring of the subrecipient
  - Pass-through are entities required to use Federal Audit Clearinghouse to verify audit reports (200.512)
- Depending on the risk assessment:
  - Provide subrecipients with training and technical assistance
  - Perform on-site reviews
  - Arrange for agreed-upon-procedure engagements (requires prior approval, 200.425).

## Subrecipient Monitoring and Management

200.331, Requirements for pass-through entities, includes audit responsibilities that were in A-133

- The pass-through entity **must**:
  - Put specific information in the subaward, including indirect cost rate
  - Do a risk assessment to determine appropriate subrecipient monitoring AND must monitor subrecipients
  - Consider if specific subaward conditions are needed
  - Verify subrecipients have audits in accordance with Subpart F
  - Make any necessary adjustment to the pass-through entity's records based on reviews and audits of subrecipients
  - Consider actions to address subrecipient noncompliance

NIH Audit Work Plan for 2016 focuses on how well institutions are performing these duties



# Subrecipient vs. Contractor Checklist



## Duke University – ORA/ORS Check List for Subrecipient vs. Contractor Determination

Uniform Guidance  
Communication 11.0

Name of Organization: \_\_\_\_\_  
 Type of Organization (i.e., nonprofit, for-profit, individual) \_\_\_\_\_

Under the obligations of the Uniform Guidance (2 CFR Part 200.330) and USC 11.0, Subrecipient vs. Contractor, Duke and departments must clearly identify the functions to be performed by either a subrecipient and/or a contractor as their proposal submission. The following should be analyzed in order to determine whether a contractor (previously referred to as a vendor) or subrecipient relationship exists. It is important to consider the substance of the relationship when determining whether a subrecipient or contractor relationship exists.

A subrecipient is a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program, but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

A contractor is a non-Federal entity who provides goods or services needed to carry out the project or program under a Federal award. A contractor relationship is established via a legal document outlining terms of the procurement relationship.

**Check all that apply.**

**Subrecipient:**

- Participates in development and execution of scope of work.
- Has responsibility for programmatic decision making.
- Has responsibility for adherence to applicable Federal program compliance requirements.
- Uses Federal funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity (Duke).
- Has its performance measured against whether the objectives of the Federal program are met.
- Technical lead is a scientific collaborator or a co-investigator on the proposed project.

**Contractor:**

- Provides the goods or services within its normal business operations.
- Provides similar goods or services to many different purchasers and/or commercially.
- Normally operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the Federal program.
- Is not subject to compliance requirements of the Federal program.

As there are exceptions to the above list of characteristics, judgment must be used in determining whether an entity is a subrecipient or a provider of professional services to a vendor. In making this determination, the substance of the relationship is more important than the form of the agreement.  
 Based on your analysis of the above checklist results and definitions, the organization is determined to be a check one): Sub-recipient, \_\_\_\_\_ Professional Services Vendor, \_\_\_\_\_

Principal Investigator \_\_\_\_\_ Date \_\_\_\_\_  
 ORS/ORA \_\_\_\_\_ Date \_\_\_\_\_

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# Computers

- Listed as supplies in the UG
- Do not have to be solely allocated to the sponsored project (Can have other uses)
- If Buy@Duke is used for purchase, no CAS form required
- May be an auditor issue if not well documented



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## Computers and Computing Devices: UGC #3.0

- Duke University has adopted the policy that devices whose primary purpose is voice communication, and related functions such as texting and checking email correspondence do not fall into allowable charges to federally sponsored projects. Exceptional circumstances may be allowed, but only with acceptable documentation of need specific to project goals, approved by the appropriate business manager.

## Other Important UGC Items

- UGC #13 – Participant Support Costs
- UGC#9.0 – Research and Technical Staff
- UGC#4.0 – F&A for Subrecipients without a Formally Negotiated Rate
- UGC#7.0 – Travel Visas
- UGC#5.0 – PI Disengagement
- UGC#14.0 – Publication and Printing Costs



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# Resources

## Helpful links from the OMB website:

- [OMB Policy Statements: Uniform Grant Guidance](#)
- [Uniform Guidance Crosswalk from Existing Guidance to Final Guidance](#)
- [Uniform Guidance Crosswalk from Final Guidance to Existing Guidance](#)
- [Cost Principles Comparison Chart](#) -- 2 CFR Part 225 (A-87), 2 CFR Part 220 (A-21), 2 CFR Part 230 (A-122) and Final Uniform Guidance
- [Audit Requirements Comparison Chart](#) -- OMB Circular A-133 and Proposed Uniform Guidance Subpart F
- [Definitions Comparison Chart](#)
- [Administrative Requirements Comparison Chart](#)
- <http://spa.columbia.edu/uniform-guidance>

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## Resources

- Harvard  
<http://osp.fad.harvard.edu/content/new-omb-uniform-guidance>
- Columbia  
<http://spa.columbia.edu/uniform-guidance>
- Michigan State  
<https://www.cga.msu.edu/PL/Portal/DocumentViewer.aspx?cga=aQBkAD0AMgA5ADkA>
- University of Minnesota  
<http://www.ospa.umn.edu/documents/UG.html>
- University of Wisconsin  
<https://www.rsp.wisc.edu/UG/>

## FDP Resources regarding Implementation

- RTC:  
[http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga\\_153344.pdf](http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga_153344.pdf)
- NIH:  
[http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga\\_153350.pdf](http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga_153350.pdf)
- NSF:  
[http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga\\_153352.pdf](http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga_153352.pdf)

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Good Luck!!!!