



OMB UNIFORM GUIDANCE A-81

Sponsored Projects Uniform Guidance- SPUG

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Thank you to Erika Wilson, Director Research Strategic Initiatives, VCHS

The Uniform Guidance: History

The Uniform Guidance resulted from two documents issued by the President:

- The November 23, 2009, Executive Order 13520 on Reducing Improper Payments and the February 28, 2011, Presidential Memorandum on Administrative Flexibility, Lower Costs, and Better Results for State, Local, and Tribal Governments

The Office of Management and Budget (OMB) issued two calls for comment on this grant reform

- A Request for Information in July of 2011
- An Advance Notice of Proposed Guidance in February 2012

The final Rule was published in the Federal Register on December 26, 2013

- Federal Agencies are still determining the impact. NIH has requested a delay in implementation. We are still waiting on a final ruling from them regarding full implementation.

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The Uniform
Guidance
replaces eight
previous
circulars:

- **A-21** Cost Principles for Educational Institutions
- **A-87** Cost Principles for State, Local and Indian Tribal Governments
- **A-122** Cost Principles for Non-Profit Organizations
- **A-110** Uniform Administrative Requirements for Grants and Other Agreements
- **A-102** Grants and Cooperative Agreements With State and Local Governments
- **A-133** Audits of States, Local Governments and Non-Profit Organizations
- **A-50** Audit Follow up
- **A-89** Catalog of Federal Domestic Assistance

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UCOP convened a workgroup

UCSD has setup a campus-wide workgroup to coordinate implementation to align with other UC campuses and UCOP

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UCSD WORKGROUP MEMBERS

**David
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Important Dates

- The UG will be effective as of **December 26, 2014**
- Subpart F Audit Requirements are effective the first full fiscal year after the effective date **Fiscal Year 2016**

Timeline

- Generally applicable to new awards and funding increments awarded on or after 12/26/14
- Effective immediately, proposals submitted to federal sponsors should incorporate provisions of the “UG”

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Key Topics and Impact Areas:

- Proposal Development
- Procurement
- Property
- Cost Principles
- Close Out
- Sub recipients (sub awards)
- Cost Share
- Effort Reporting

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Administrative and Clerical Salaries

- The rules governing “major project or activity” exceptions have been dropped and replaced by the following criteria, ALL of which must be met:
 - Administrative or clerical services are “INTEGRAL” to a project or activity;
 - Individuals involved can be specifically identified with the project or activity;
 - Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
 - The costs are not also recovered as indirect costs.
- In general, administrative and clerical salaries should still not be direct charged without meeting the criteria listed above.

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Computing devices under \$5,000/unit may be direct charged to the project or activity under the following circumstances:

- The machines are essential and allocable to the project in that they are necessary to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information.
- The project does not have reasonable access to devices or equipment that can achieve the same purpose; devices may not be purchased for reasons of convenience or preference.
- Items costing more than \$5,000 per unit are considered equipment and follow federal equipment rules for when they can be direct charged.

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The sub recipient's negotiated F&A rate or an alternative rate as describe below must be used for all sub awards included in competitive proposals.

- If federal program has a published statutory F&A cap, the rate must be used both by the prime and all of its sub recipients.
- For all other federal programs, if a sub recipient has a federally negotiated F&A rate, it must be used.
- If the entity does not have a negotiated F&A rate, a 10% de minimus F&A rate must be used instead, or the PI/department may request that SPA negotiate an F&A rate with the sub recipient.

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Closeout/Unilateral Closeout

- Campuses must complete final reporting, invoicing, and cash draws within 90 days of the end of the performance period or risk not being able to recover expended funds
- Although this requirement is not new, the Uniform Guidance codifies it and imposes a hard stop to adjustments
- This could prove challenging in the management of sub awards

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Voluntary Cost Sharing

- Under the Uniform Guidance (200-306) **voluntary committed cost sharing should not** be expected by a federal sponsor or used as a factor during the merit review of the applications or proposals, may be considered if it is both (a) in accordance with federal awarding agency regulations and (b) specified in a Notice of Funding opportunity.
- Since the federal agencies cannot consider voluntary committed cost sharing in assessing a proposal's merit, voluntary committed cost sharing will not increase the likelihood of an award.

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Participant Support Costs

- Under the Uniform Guidance (200.456) other federal sponsors also may allow PIs to budget and charge for participant support costs.
- In the past, “participants support costs” was a budget line item normally found only in NSF-funded projects.
- Participant Support costs include: Stipend or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conference or training projects. Participant Support Costs are not routinely allowed on research projects but can be charged if the project includes an education or outreach component and the federal agency approves such costs.
- These costs must be explicitly listed in the proposal budget or approved by the funding agency after the award has been made. Participant Support Costs should be excluded from the Modified Total Direct Cost (MTDC) base when calculating F&A costs when the University’s federally negotiated F&A rate is applied.

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Publication and Printing

- According to the Uniform Guidance (200-61), page charges for professional journal publications are allowable when:
 - The publications report work supported by the federal government and the charges are levied impartially on all items published by the journal, whether or not under a federal award.
 - However, these costs must be recorded as a lien within the 90/120 day closeout period.
- **THE PUBLICATION COSTS MUST APPEAR AS AN OFFICIAL LIEN ON THE GENERAL LEDGER**

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PI Disengagement

- **PI DISENGAGEMENT-** Under Uniformed Guidance prior sponsor approval must be obtained from the federal agency if the PI will be “disengaged” from the project for more than three months or if there is a 25 percent reduction in the time the PI devotes to the project. Note: PIs should work through OCGA to formally obtain this approval from the sponsor.
- “Disengagement” is defined as the PI or longer assuming primary responsibility for (a) the performance of the activities for which the award is granted and/or (b) compliance with the terms and conditions of the award, including but not limited to monitoring project expenditures, oversight of Sub-recipient performance and use of federal flow through funds, and preparation of any technical, progress or narrative reports required by the award.
- **NOTE:** Physical absence from the University campus is not automatically considered disengagement as long as the PI is able to carry out his or her PI responsibilities from a remote location.

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Sub award Monitoring

- **MONITORING**- it is the PI's responsibility to monitor the performance of any sub-recipient receiving funding from the PI's federal award (200.331). Monitoring may include reviewing the sub-recipient's financial and programmatic reports and, when appropriate, evaluating the sub-recipient's completed milestones and deliverables.
- PI's are required to carefully review the sub-recipient's performance in these areas before signing any invoice authorizing payment of funds to sub-recipients.
- NOTE: The Uniform Guidance (200.305) requires the University to pay sub-recipient invoices, for cost reimbursable sub-awards, **within 30 days of receipt of invoice unless** the PI believes the request to be improper. The University will need to review our current process to comply with the UG.

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Fixed Amount Sub award Certification

- **CERTIFICATION**- Under the Uniform Guidance (200.201) the University must require the Sub-recipient of a fixed amount sub-award to certify at the end of the sub-agreement that the project or activity was completed or that the level of effort was expended as specified in the sub-agreement. If the Sub-recipient cannot certify that the required level of activity or effort was carried out, the University must adjust the amount of the funds paid to the sub-recipient. Note: language describing this requirement will be added to fixed amount sub-agreements issued by OCGA.

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STAY TUNED

- Work group is busy going through policy to determine the change or impact to UCSD. Working closely with UCOP.
- Uniform Guidance (UG) clarifies the policy but if it is not part of the UCSD policy it does not apply i.e.. Travel, Entertainment, etc.
- Universities are still awaiting clarification from some of the agencies NIH, etc.
- Micro purchase policy have been postponed for 1 year

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LINKS

<http://blink.ucsd.edu/research/policies-compliance-ethics/uniform-guidance/index.html>

<http://www.ucop.edu/research-policy-analysis-coordination/research-sponsors-agreements/federal-government/uniform-guidance/index.html>

http://grants.nih.gov/grants/closeout/faq_grants_closeout.htm

http://www.whitehouse.gov/sites/default/files/omb/financial/grant_reform/proposed-omb-uniform-guidance-for-federal-financial-assistance.pdf

<https://cfo.gov/cofar/>