HOT TOPICS

Pamela Webb
AGENDA

- Staffing Changes in SPA
- Updated F&A Rates
- Could A-21 Be Changing??
- Agency Updates
  - DHHS (including NIH) Salary Cap Change & Fiscal Escalations
  - Change in NIH Conference Grants
  - NSF Foreign Travel Rules
  - Other agencies (NIFA, AFOSR)
  - Audit Update
- Spending Acceleration for ARRA Awards
- Fixed Price Closeout Update
- SPECTRUM Upcoming Course Offerings
SPA Staffing Changes

- ED WINK retired (again) and VERN KLEINSASSER retired
- APRIL COON named as Assistant Director
- ANDREA MARSHALL named as Principal Grant Administrator (lead for Team 2)
- JIM ROMPORTL hired as F&A Analyst
- PAULIE GARCIA named as Cross-Team Grant Administrator
- MAT MOORE hired as SPA Business Analyst
- ERIN JONDAHL named as Award Setup Specialist

- Under recruitment
- Senior Grant Administrator
- Award Setup Specialist
## New F&A Rates

F&A Rate Agreement date = December 8, 2011

<table>
<thead>
<tr>
<th>Award Type</th>
<th>Former Rate (%) (MTDC base)</th>
<th>New Rate (%) (MTDC base)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organized Research (on campus)</td>
<td>51.0</td>
<td><strong>52.0</strong></td>
</tr>
<tr>
<td>Public Service/Other Sponsored Activities (on campus)</td>
<td>32.0</td>
<td><strong>33.0</strong></td>
</tr>
<tr>
<td>Instruction (on campus)</td>
<td>50.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Hormel Institute (on campus)</td>
<td>52.5</td>
<td>52.5</td>
</tr>
<tr>
<td>Department of Defense Contracts (on campus)</td>
<td>57.0</td>
<td>57.0</td>
</tr>
<tr>
<td>Off-Campus Projects (all types)</td>
<td>26.0</td>
<td>26.0</td>
</tr>
</tbody>
</table>
Interagency A-21 Task Force

- February 23rd – OMB Controller expected to identify their response to the Task Force’s recommendations and next steps (Pamela and Sarah will be there)

- Possible topics:
  - EFFORT REPORTING
  - PROJECT MANAGEMENT SUPPORT FOR INVESTIGATORS
  - SUBRECIPIENT MONITORING
  - REQUIREMENT FOR FEDERAL PROGRAMS TO USE APPROVED F&A RATES
  - DEFINITION OF EQUIPMENT
## NIH Salary Cap Guidance ($179,700)

### SPA NIH Salary Cap Guidance:


<table>
<thead>
<tr>
<th>Grant FY</th>
<th>Award close Date (Type)</th>
<th>Pre-Award</th>
<th>Salary Cap Limit Applicable to Funds awarded that year</th>
<th>Modular grants</th>
<th>Detailed budget awards</th>
<th>Correction to NIH FY12 Salary Cap Applicable to Outyear Awards</th>
<th>Outyear Escalation Factor (All cartz, net just salary)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/1/11 - 12/22/11 (All)</td>
<td>*</td>
<td>Exec Level I ($194,700)</td>
<td>No funding reduction by NIH to new cap amount for existing year or outyear, new cap must be charged in the outyear (rebudgeting allowed)</td>
<td>Reduction by NIH on competing awards to new cap amounts for outyear only</td>
<td>No, old cap applies to entire budget period</td>
<td>Exec Level II (Currently $179,700)</td>
<td>2%, but expect revision down to 0%</td>
</tr>
<tr>
<td>12/23/11 - 12/20/12 (Competing)</td>
<td>*</td>
<td>Exec Level II ($179,700)</td>
<td>No funding reduction by NIH to new cap amount for existing year or outyear, but new cap must be charged (rebudgeting allowed)</td>
<td>Expect award revision reducing funding to new cap amounts for existing year and outyear.</td>
<td>Yes, for any salary charged from the FY12 award, the dept must do HSA to reflect $179,700 level and set up an increase cart-sharing to reflect this balance. Future salary in this budget period must also be the $179,700 rate.</td>
<td>Exec Level II (Currently $179,700)</td>
<td>2%, but expect revision down to 0%</td>
</tr>
<tr>
<td>12/23/11 - 12/20/12 (Non-competing)</td>
<td>*</td>
<td>Exec Level II ($179,700)</td>
<td>No funding reduction by NIH to new cap amount for existing year or outyear, but new cap must be charged (rebudgeting allowed)</td>
<td>No funding reduction by NIH to new cap amount for existing year or outyear, but new cap must be charged (rebudgeting allowed)</td>
<td>Yes, for any salary charged from the FY12 award, the dept must do HSA to reflect $179,700 level and set up an increase cart-sharing to reflect this balance. Future salary in this budget period must also be the $179,700 rate.</td>
<td>Exec Level II (Currently $179,700)</td>
<td>2%, but expect revision down to 0%</td>
</tr>
<tr>
<td>12/20/12 - 9/30/12 (All)</td>
<td>*</td>
<td>Exec Level II ($179,700)</td>
<td>No funding reduction by NIH to new cap amount for existing year or outyear, but new cap must be charged (rebudgeting allowed)</td>
<td>Reduction by NIH to new cap levels before award is issued</td>
<td>No, because charges should occur at the new cap amount (but see pre-award documentation if you have incurred that type of cart)</td>
<td>Exec Level II (Currently $179,700)</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Prior Year Funding (used as carryover):**

<table>
<thead>
<tr>
<th>Year</th>
<th>Exec Level I ($194,700)</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Exec Level I ($194,700)</td>
</tr>
<tr>
<td>10 and earlier</td>
<td>Consult SPA salary funds still remain for awards received prior to 10/10</td>
</tr>
</tbody>
</table>
Other DHHS Agencies

- AHRQ (http://grants.nih.gov/grants/guide/notice-files/NOT-HS-12-007.html)
- CDC (Centers for Disease Control)
- HRSA (Health Resources and Services Administration)
- FDA (Federal Drug Administration)
- SAMHSA (Substance Abuse and Mental Health Services Administration)
- ACF (Administration for Children and Families)
- CMS (Centers for Medicare and Medicaid Services)
Fiscal Guidance for Competitive Proposals

- Modular: Use the $179,700 cap for calculating the correct number of modules

- Categorical: Real salary (or use the $179,700 cap with annotation in the budget justification detail)

- Fiscal Year escalations are currently 0% per NIH
  - EGMS will use 2% unless you override to 0%
  - SPA is giving you your choice (but increases are thought to be unlikely)
  - Pros and Cons
NIH Conference Grants (R13, U13)


- Food costs will no longer be allowed on conference grants
  - Effective with awards issued 1/27/12 and after (existing awards are “encouraged” to apply the policy)
  - Proposals under consideration will have food costs removed
  - New competitive proposals may not include food costs
NSF Awards

- Updated NSF Terms and Conditions started 2/1/12
  - Requires SPA to list our tech transfer web site with NSF
  - Most other changes minor plus ...

- Significant Changes in Foreign Air Carrier rules
  - If traveler is leaving from the U.S., can fly anywhere a European Union (EU) member airline is authorized to fly, including outside the EU
  - If flying between points outside the U.S., traveler can use an EU member airline if there is no GSA City Pair contract for that route. If City Pair exists, have to use U.S. flag air carrier
Other Agencies

- **NIFA**
  - Most grants funded in FY12 have increased F&A rate of 30% of federal funds awarded (up from 22%)
  - Cooperative agreements funded in FY12 have a 10% rate

- **AFOSR**
  - Intends to reduce number of approved no cost extensions in FY12
Audit Update

- HHS Inspectors General - ARRA audits (individual projects)
- HHS Inspectors General – Admin and Clerical Audits (individual institutions, 3 of 8 completed)
- NSF Inspectors General – ARRA audits (may include jobs reporting, subrecipient monitoring, and compliance as well as fiscal)
Spending Acceleration on ARRA Awards

- In almost all cases, funds must be expended by 9/30/13 (even if original end date was later than this)
- No cost extension requests that extend an end date beyond 9/30/13 need to be requested from the agency by JUNE 1, 2012 (NIH and NSF only so far)
- Acceptable reasons:
  - the project is long-term by design
  - the project requires complex environmental review
  - contractual commitments with subs/vendors legally prevent adjusting the timeline
  - acceleration of spending may cause harm or risk to vertebrate animals or human subjects
Other projects may be encouraged to accelerate spending

AHRQ will be more restrictive:
- No time extensions anticipated beyond 9/30/13

Other agencies have not issued guidance yet
Forthcoming Change: Fixed Price Closeout Procedure

- Proposed policy/procedure revision will NOT be going into effect ... instead we anticipate:

- Notice from SPA 60 days in advance of end date to encourage PIs to obtain a no cost extension from their sponsor if the work is not complete

- Form 1613/central review is eliminated and replaced with a department internal “checklist” to facilitate final reconciliation and identification of documents needed to retain an auditable file
Closeout (continued)

- SFR will closeout a fixed price award beginning 90 days after its end date (or as soon thereafter as their workload permits)
  - 100% of the balance is returned to the department (or, if the department designates, to the PI) – same as happens today
  - NOTE: Because of the large backlog of existing closeouts, it will take SFR some time to get to a steady state

- RIOP conducts review periodically to identify large balance/overdraft trends for departments/PIs, where additional discussion or review may be desired
University Policy/Procedure

POLICY:
Fixed Price Contracts, Including Clinical Trials
http://www.policy.umn.edu/Policies/Research/CLINICALTRIALS.html

PROCEDURES
Clinical Trial (Industry-Sponsored) Research Agreements and Payments
http://www.policy.umn.edu/Policies/Research/CLINICALTRIALS_PROC02.html

Fixed Price and Fixed Fee Closeouts
http://www.policy.umn.edu/Policies/Research/CLINICALTRIALS_PROC01.html

Will be changing
SPECTRUM Upcoming In-Person Offerings

Course Listing/Registration:
http://www1.umn.edu/ohr/trainingservices/spa/courses/

On-line Materials:

- SP07  EGMS Proposal Prep                            February 16, 2012
- SP03 Sponsored Reporting                           February 21, 2012
- SP14  Effort Certification                          February 22, 2012
- SP10 Planning & Issuing Subawards                  February 29, 2012
- SP08 Proposal Budget Creation                      March 13, 2012
- SP05 Cost Sharing Fundamentals                     March 14, 2012
- SP03 Sponsored Reporting                           March 21, 2012
- SP15  Managing Subawards                           March 27, 2012