More about…

- Effort and IBS vs TAC
- Procurement
- Research Terms and Conditions
- Direct Costs
Effort

ECRT vs. enforced written policies/procedures
Effort cont.

• UG requires definition for *Institutional Base Salary*
  – University Plan:
    • **Appendix** added to policies:
      – Effort Certification
      – Direct Costs on Sponsored Projects
IBS vs. TAC

• Institutional Base Salary (IBS):
  – compensation paid to Faculty or P&A employees for research, instruction, administration, and/or service.
IBS vs. TAC cont.

- IBS Components:
  - BASE
  - INCR (productivity for excellence)
  - FAA (department chair/head, director)
  - AAA (other administrative duties)
  - AUG (higher level services)
  - REGENT (Regents’ Professor)
IBS vs. TAC cont.

- Total Annual Compensation (TAC):
  - institutional base salary **plus** work outside the primary appointment, special one-time payments, and benefits
Procurement

Procurement “Claw” (Section 200.320)

1. Micro Purchases
   - Up to $150K
   - No quotations
   - No cost or price analysis

2. Small Purchases
   - > $150K
   - Construction projects
   - Price is a major factor

3. Sealed Bids
   - > $150K
   - Fixed price or cost reimbursement
   - RFP with evaluation methods

4. Competitive Proposals
   - > $150K
   - Public emergency
   - Authorized by agency (or PTE)
   - No competition

5. Sole Source
   - Unique
   - Public emergency
   - Authorized by agency (or PTE)
   - No competition
Procurement cont.

- OMB considering rate quote threshold for small purchases
  - Will take effect July 1, 2017*
    - *OMB and COFAR about to finalize another extension of the grace period to FY 2019 (July 1, 2018)
  - Purchasing Services to provide details closer to FY18
Research Terms and Conditions (RTCs)

- Cleared Subcommittee on Social, Behavioral and Economic Sciences (SBE) and working their way through Committee on Science (COS)
- Participating* research agencies developing supporting documents and implementation plans
- Agencies will migrate to “new” version soon (January 2017?)
RTCs cont.

- *9 participating research agencies*
  - Commerce/NOAA and NIST
  - DOE
  - EPA
  - NASA
  - NSF
  - DHHS/NIH
  - USDA/NIFA
  - DOT/FAA
  - Homeland Security

[Circle with DOD crossed out]
Direct Costs

• Direct Costs on Sponsored Projects
  Policy
  – Direct Costs Allowability Grid (Appendix)
Q&A

• Question:
  – Under what circumstances is entertainment (when it is called community building or a cultural event) an allowable expense?

• Answer:
  – Unallowable unless authorized by the agency through the approved budget or prior written approval

  (§ 200.438 Entertainment costs)
• Question:
  – Are gifts allowable when they are considered to be a cultural necessity?

• Answer:
  – Unallowable (unless authorized by the agency through the approved budget or prior written approval)

( § 200.421e3 Advertising and public relations)
• Question:
  – Is food at meetings allowed when all participants are U employees or students?

• Answer:
  – Conditional depending upon nature of meeting and whether or not included in approved budget or prior written approval from sponsor

( § 200.432 Conferences, 200.438 Entertainment costs, 200.456 Participant support costs, 200.474 Travel costs, 200.475 Trustees)
Q&A

• Question:
  – Can stipends or gift cards be given in appreciation for input to a project? Are they allowable if the agency gives approval?

• Answer:
  – Conditional
    • Employees – NO
    • Consultants – NO
    • Participants – YES

(§ 200.456 Participant support costs)
Q&A

• Question:
  – What is the University’s response to UG directives and how does that impact how departments handle projects?

• Answer:
  – See UMN UG Website and PI Quick Guides
Q&A

• Question:
  – Even though UG states that all reports are due no later than 90 days after a project has ended are there any agencies using 120 days, yet?

• Answer:
  – NIH (potentially more if/when RTCs are finalized)
  – NIH (potentially more if/when RTCs are finalized)

( § 200.343 Closeout.)
Q&A

• Question:
  – Are there instances when the final financial report has an earlier completion due date than final progress reports and/or final invention statements/certifications?

• Answer:
  – Most likely, but due dates for progress reports and final invention statements/certifications are not managed by SFR (§ 200.343 Closeout.)
Q&A

• Question:
  – Even if a federal agency follows the 120 days, does the draw down by SFR have to be completed within 90 days of the project end date?

• Answer:
  – Yes (reports vs. invoices)

(§ 200.343 Closeout.)
Q&A

• Question:
  – How many UMN projects fall under the "all reports due no later than 90 calendar days after the end of the period of performance? 120 days? 60 days? 

• Answer:
  – Tracked with “events” in PS
  – Predominantly 90 days

( § 200.343 Closeout.)
Q&A

• Question:
  – Which earning codes are excluded from institutional base salary?

• Answer:
  – Earning codes related to:
    • payments under performance incentive plans
    • non-service or one-time payroll items, such as awards
    • compensation for patient care activities provided through University of Minnesota Physician (UMP) practice plan
  – See also, “Earning Codes Included in ECRT” spreadsheet on SPA Website
Q&A

• Question:
  – Are between semester field trips supposed to be in the institutional base salary because these payments are reflected on effort statements?

• Answer:
  – Yes as long as the rate is not in excess of IBS and payment for teaching during these periods is covered in institutional policy

(§ 200.430h5 Compensation—personal services)
Other Questions???
Thank you!

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