15th Annual FINANCIAL RESEARCH ADMINISTRATION CONFERENCE

March 15 – 17
San Francisco, CA

The Practical & The Possible

NUGGETS FROM N CURA
LOTS OF SESSIONS

- Major Changes to Federal Cost Principles
- Fundamentals of F & A
- Effort Reporting
- NSF Update
- Departmental responsibilities for compliance
- NIH Update
- Solicitation review for the DRA
TAKE-AWAYS

• New Uniform Guidance effective 12-26-14
  ▪ Computer equipment can be charged as direct costs if they are essential and allocable, but not solely dedicated, to the performance of a federal award.
  ▪ In certain circumstances, administrative costs can be charged directly when there is prior approval and the costs are specifically allocated to one award. Administrative and clerical staff salaries are normally treated as indirect costs, but direct charging may be appropriate if all apply:
    • The services are integral to a project or activity
    • Individuals involved can be specifically identified with the project or activity
    • Costs are explicitly included in the budget or have prior written approval of the awarding agency
    • The costs are not also recovered as indirect costs
TAKE-AWAYS

• NSF/NIH Update – items to note:
  
  ▪ NSF: PI’s are often over-reporting in the “Results from Prior Support” section. Proposers should go into detail for only 1 award most related to the proposal, but list all awards for the past 5 years.
  
  ▪ NSF is returning many proposals w/o review due to non-reporting or under-reporting on intellectual merit and broader impacts.
  
  ▪ NIH set for a major change in bio sketches that will emphasize accomplishments rather than pubs. Researchers will be able to link their pubs in SciENcv or My Bibliography.
BEST SESSION:
SUB AWARDS: TOOLS OF THE TRADE

• Univ. of Wisconsin – Madison Subaward Team Problem:

  • ~1000 new awards a month, it was taking too much time to process subawards

  • Review of sub award life cycle — process, roles, & responsibilities — helped them to create a streamlined system and eliminate duplicated effort.
SUB AWARDS

• UW Madison team shared a set of tools for entity determination (subaward/vendor/contractor)

  • **Outgoing Agreement Guide** – Explains characteristics of Sub Award / Vendor

  • **Sub Award Determination Questionnaire** - provides documentation required by A-133 and Uniform guidelines.

  • Helps to protect University and PIs during audits.
Tools at Proposal – Entity Determination

Sponsored Project Outgoing Agreement Guide

Is the Provider a Subrecipient or a Vendor?

Sub-Recipients

A subrecipient is responsible for the end results of the research effort along with the principal investigator where federal funds are being passed through to another entity. At the UW this policy applies to all non-Federal sub-agreements as well.

Subrecipients may have some or all of the following characteristics:

- Their performance is measured against meeting the objectives of the program.
- They have authority for administrative and programmatic decisions.
- They provide on-going research or collaboration for the life of the program.
- They carry out a program of the subrecipient as compared to providing services for a program of the prime recipient.
- They are responsible for applicable program compliance requirements.

Vendors

A vendor provides ancillary goods or services that the principal investigator needs to conduct the research effort. A vendor is not responsible for the research results.

Vendors have the following characteristics:

- They provide the service as part of their normal business operations.
- They provide a similar service to many different purchasers.
- They operate in a competitive environment (compete with others who can provide a similar service).
- Their program compliance requirements do not pertain to the service provided.

Consultants are vendors

Need Assistance in determining the appropriate relationship between Subrecipient and Vendor?
Please see the “Sub-Award Determination Questionnaire”
Tools at Proposal – Entity Determination

Sub-Award Determination Questionnaire

How to use the Checklist
More “Yes” answers to questions 1 - 4 and “No” answers to questions 5 - 8 signify that a vendor relationship is more appropriate. Subsequently, more “No” answers to questions 1 - 4 and “Yes” answers to questions 5 – 8 indicate a subrecipient relationship is more appropriate. If you have questions left unanswered by this checklist regarding subrecipients, please contact the RSP Out-Going Sub-Award Team. For more information about vendor agreements, the bidding process, sole source, etc., contact UW-Madison Purchasing Services.

Answer these questions to determine how a provider should be paid, as a vendor or subrecipient (Circle One)

1. Does the organization provide the proposed goods/services within its normal business operations? Yes No
2. Does the organization provide similar goods or services to many different purchasers? Yes No
3. Does the organization operate in a competitive environment? Yes No
4. Are the proposed goods or services ancillary to the performance of the UW’s sponsored program? Yes No
5. Are the organization’s personnel named and identified as having key roles in the UW’s proposal? Yes No
6. Is the organization’s performance measured against the objectives of the sponsored program? Yes No
7. Does the organization have responsibility for programmatic decision making? Yes No
8. Will the organization use the proposed funds to carry out a program of its own, as compared to providing goods or services for UW program? Yes No

Need assistance in answering a question? Please see below for clarification

1. Answer “Yes” if the organization provides the same services or products as part of its daily business operations. Answer “No” if the organization is developing a unique service or product for the UW.
2. Answer “Yes” if the organization sells the same services or products to any customer, or if the organization is simply running lab tests, fabricating equipment, or developing plans to UW specifications. Answer “No” if the organization has to develop or design something unique based on project objectives.
3. Answer “Yes” if other sources are readily available. They compete with others who can provide a similar service. Answer “No” if the organization provides a unique resource.
4. Answer “yes” if the organization provides elements incidental to the work (e.g. if they are providing “skilled hands” but not interpretation in developing programmatic conclusions).
5. Answer “Yes” if the proposal includes any of the following for the organization’s portion of the project: separate budget; facility and resource description; project site information; roles and responsibilities; scope of work.
6. Answer “Yes” if the organization’s performance will be measured against the objectives of the primary project.
7. Answer “Yes” if the organization works independently from the UW: provides their own tools and equipment; solicits work from a number of customers; and directs their own efforts.
8. Answer “Yes” if the funds issued to the organization will be dedicated to completing the project. Answer “No” if the funds will contribute to the general profit or operating funds of the organization.

Relationship Determined to be (Circle one): Vendor Subrecipient
SCOPE OF WORK
(OR STATEMENT OF WORK)

• The Scope of Work describes the work to be performed and includes a timeframe necessary for the completion of the work. The goal is to allow the other party to understand what is planned and what will be included in the finished product. The SOW is not the budget justification.

• A well written SOW will help protect the PI, the department, Research Services, and the Institution, in the event that there are questions over whether the sub-awardee has performed their obligations to the agreement.
STATEMENT OR
SCOPE OF WORK

PI’s are often unsure what should be included in a statement of work. Below are a couple of examples pulled from my files:

Example 1:

PI: XXXX, EPCS: XXXX
Funder: University of XXXXXXX
Title: Center for XXXXXXXXXX
Statement of Work to be completed:
The purpose of this collaboration is to develop theoretical and computational models for the coarse-graining and multiscale modeling of biological systems and biologically inspired materials.
STATEMENT OR SCOPE OF WORK

PI’s are often unsure what should be included in a statement of work. Below are a couple of examples pulled from my files:

Example 2:

Statement of Work:
To synthesize and deliver no less than 2 g of each the following 1,4-azaborine compounds $R$, $R_1$ and $R_2$ can be alkyl, aryl or other groups. The exact compounds and their priorities will be decided by the funder and Prof XXX.
STATEMENT OF WORK

A good Scope of Work should include the following elements:

• **A detailed description of the work to be performed**
  - Clearly state what the sub-recipient plans to achieve and deliver.
    - Will travel be required to complete the work?
    - Is there a specific number of times something needs to be done (i.e. analyze 10 samples).

• **Deliverables**
  - Include a timeline of major deliverable due dates
    - Fixed dates or
    - Flexible dates (i.e. two weeks after some event occurs)
  - Include milestones as necessary so that the work can be monitored to ensure that you are getting what you need and the quality of the work is as expected.

• **Special requirements**
  - Travel
  - Special skills or knowledge
  - Resources
  - Special tools/equipment/supplies

• **Remember to include:**
  - Specific language
    - Don’t leave room for interpretation
    - Use language that everyone can understand
  - A definition of completion
    - If a final product is submitted, what constitutes acceptance?