ORSA Personnel Updates

- New Hire: Kim Newell, Executive Assistant to the Associate VP for Research and Director of ORSA and New Staff Addition to ORSA: Jennifer Creighton-Neiwert who is assisting with Contracts.
- Two candidates for the open Pre- and Post-Award SPA positions have been offered positions with ORSA with proposed starting dates at the end of March and the middle of April.

Report on Financial Research Administrators conference – Dee Dee Kintz

- Dee Dee Kintz presented on the Financial Research Administration conference she attended in New Orleans, February 23 – 26, with the DGA Travel Award received from ORSA.

*NCURA Conference Report

New PHS forms 398 and 2590

- These are new forms required by the National Institutes of Health (NIH) and the U. S. Department of Health and Human Services (DHHS) for proposals and progress reports as of March 1, 2008.

What is PHS?

Public Health Service (DHHS)

http://grants.nih.gov/grants/forms.htm

OUS Time and Effort Audit and PHAREDS Policy Change

- In 2007, a Time and Effort audit was conducted by the Internal Audit Division. Although ORSA has maintained an 80-90% return rate on Activity Reports, this doesn’t meet federal guidelines. We are mandated by the federal government to have a 100% return rate. ORSA is in the process of updating the current Time and Effort policy. A proposal has been submitted for approval to freeze accounts as a consequence for reports not certified and returned to ORSA in a timely manner.

- There was discussion regarding the recent email from Laura Hubbard, Associate VP for Budget and Finance, Business Affairs Office, about the 90-day timeframe to enter electronic payroll changes in Banner (PHAREDS). Campus units will have the open quarter to do electronic cost transfers. If there are changes to be made outside of the active quarter, the department would need to do a paper Payroll Accounting Adjustment (PAA) form that must be submitted to ORSA. This is a new university-wide policy.
  - ORSA plans to attend departmental meetings to further discuss the new policy.

A question was asked regarding salary that had been charged to a grant for 6 months and later discovered that the salary had been inappropriately charged and the transaction needed to be corrected. What are the consequences?

- After an account is frozen, due to not returning activity reports in a timely manner, the charges will be moved off the account in question and will not be allowed to be moved back onto the account.

Where does it go if it is moved off?

- It would go onto a department account. Departments will be required to provide a departmental account number at the beginning of a project which will be used to transfer the expenses.
In line with the current changes, ORSA will enter all of the Payroll Accounting Adjustments (PAA) affecting grant accounts. ORSA is working on a procedure to expedite this process. The PAA forms will come directly to ORSA and will not need to be sent to Payroll. The PAA has been revised to include new signature lines for the PI and ORSA.

*Hand-outs “Risks of Not Complying with Circular A-21’s Effort Reporting Requirement” which included the question: “What are the possible consequences of not certifying a report in an accurate and timely manner?”

DGA QUESTIONS and TOPICS:

If an expense is moved off an account and that leaves extra money in the grant, can the PI spend it elsewhere?

- If an expense is moved off, the money is not sent back to the agency unless the grant has ended. Whether it is spent or not depends on what is left at the end of the grant.

Can we talk more about the ARS compliance and recent new policy? If we need to generate a change on a grant after the close of the quarter, what is the process?

- Addressed above.

In a perfect world we receive contracts and indexes in a timely manner. In the real world, this isn't always the case. How can we legitimately address these delays either through ORSA and/or BAO?

- Within two weeks of receiving an award notice, departments will receive either an index, or email notification, usually from the post-award SPA, providing a status update.

What is the process for advising the DGA/PI an index is being delayed due to issues which may include but are not limited to Human Subjects, Conflict of Interest?

- ORSA will notify the PI and DGA of human subjects or conflict of interest issues that need to be addressed before an index number is given. ORSA will explain the problem and provide contact information for follow-up with additional questions. We will notify you of any delay in the award set-up process as well. ORSA will copy the appropriate compliance office regarding these issues.

  - Catherine Coyle handles conflict of interest and encouraged everyone to contact her with any questions. The project description can be sent over if you are unsure if there is a conflict of interest. ORSA sends the information to Office of Responsible Conduct of Research (ORCR) if we think there is a potential conflict.

  - Juliana Kyrk, Office for Protection of Human Subjects. Any time a proposal goes in with human subjects, emails are automatically sent to the PI and to the human subjects’ office. The PI’s receive notice of human subject issues well in advance, but some people wait until the very end to get clearance, which takes several weeks and could hold up the grant number.

Please explain the difference between Level of Effort vs. Time and Effort. How do we capture this information in the payroll system and for the Activity Reporting System (ARS)? Should an Activity Code be used when entering payroll?

- This question came up with a post-doctoral award from U.S. Department of Education. Level of effort is the effort in managing the grant. Time and effort is the percentage of pay associated with the grant. If the level is 10%, then the time and effort associated with the level of effort is calculated by the percent of base pay (which generates time and effort on activity reporting system).

  *Hand-out “Time and Effort/Level of Effort”

Are Telecommunications Recurring Monthly Charges (account 22010) allowable or not? We have not received a definitive answer in this regard. Also, grants have been closing with vast amounts of expenses to this particular expense account. ORSA generally notifies DGA’s about misc. accounts,
Please refer to the handout “Policy on Charging Direct Costs to Sponsored Projects” from website regarding A-21 and costs that can be charged to a project. Call your SPA with any questions regarding charges (specifically administrative costs that can be charged to a grant). We have seen cases with administrative charges in the budget without justification. We will now need detailed justification of administrative costs on grants at the proposal stage. Please refer to the handout for specific questions that need to be addressed in the justification.

- Recurring telephone costs should not be charged in most cases.

*ORSA-Policies - Charging Direct Costs to Sponsored Projects*

**Why is postage (account 22502) and Classified Admin Staff (account 10301) also unallowable costs?**

Postage falls under the category of unallowable administrative costs.

**Why is there a separate rate for Monthly Recurring charges for departments ($24.00) and grants ($18.00)?**

We are not sure why there is a different charge for the phone lines. We are waiting for a response from telecommunications.

You may want to include some training on unallowable codes. The code 20103 is not intuitive for use on grants. I know there are other codes that are also reviewable and a reminder to all DGA’s would be helpful.

Code 20103 is a lab expense code. ORSA requests that you use this account code for “project” supplies and software. The problem is that there are not enough codes available from OUS for grant-specific use. We are hoping to acquire additional account codes in the future that are more descriptive and intuitive.

If F&A is limited, whether by the agency or F&A waived at UO, you are still not allowed to charge direct administrative costs to the grant.

For unallowable administrative costs currently on grant accounts, do we need additional justification for those costs?

- We will be looking at those and will need to scrutinize these costs. Even though the administrative cost may have been listed in the proposal budget, we may need additional justification to charge to a grant. As an example, the NIH Grants Policy Statement states that when a proposal budget is approved, it does not guarantee that the budget items are allowable. The federal agencies are relying on the institution to be consistent in how we treat these costs. If costs are included in our F&A rate, we must not charge the same costs as direct expenses on projects, unless specific approval is warranted. Policies have not always been enforced in the past. Now that we have the resources, we need to practice due diligence and address this issue. If we can justify the cost, we will and if not, we will have to transfer the expense off the grant.

If once the grant is in place and we need more administrative charges; do we need to request this from the agency?

- Yes. We will need approval from the agency’s grants administrative office to approve those charges. The approval must come from the grants officer, rather than the program officer.

Auditors said cell phones are not allowable charges.

- Cell phones are only allowable if there is a medical reason or if you will be working in a place without a land line. It is too hard to allocate cell phones between personal and project use.

Will there be more contract training? I’d like to know what questions to ask and/or what information should be in a well-written Statement of Work such that contract generation is speedier. I suppose the other side of that is what language causes problems and slows the process down.
We want to reinstitute training sessions on different days than the DGA Meetings. Email Research Services with any requests for training topics.

ORSA is scheduling a Sub-award training session and will notify everyone when it is defined.

- **Thursday, April 17, 2008, 9:00 AM – 11:00 AM**
  
  EMU Maple Room

If a vendor such as a consultant is named in grant, does this justify having a sole source rationale when generating a PSC or sub-award?

Yes, but you need justification of why the vendor is a sole source at the proposal stage and this needs to be in the budget narrative. If the vendor changes at post-award stage, then we need to go back and justify the sole source at this stage.

**How will it affect the proposal?**
- We'll need more information in the budget narrative. In the past, we have just been naming the contractors, but this is not enough to justify sole source. The justification could be that there is a long standing, collaborative relationship.

**Is there a dollar limit?**
- No

Please explain the process for getting grant related hotel contracts fully executed. Do both ORSA and BAO have a role in processing the contract? What is ORSA's role? What is BAO's role? If both are involved, what is the appropriate routing of the contract? How long will it take to process a contract?

- ORSA now reviews most contracts handled by BAO Purchasing and Contracts as well as PO's for equipment purchases and maintenance agreements. BAO sends these contracts to ORSA post-award administration via email. ORSA reviews for allowability and flow-down terms, which may include an appendix of A-110, then emails approval back to BAO. These and other transactions are a priority and have a quick turnaround time.

- This process is similar to the ORSA review of PSCs, except that the department should work with BAO first and BAO will make contact with ORSA for approval.

A sub-contract agreement includes a performance period of August 1, 2007-September 30, 2008. The agreement was signed by ORSA on Dec 6, 2007. The index wasn't available until March 7, 2008 due to human subjects and conflict of interest reviews. On which date can charges to the project take effect - retroactively back to August 1, 2007 (as stated in the agreement); Dec 6, 2007 (date ORSA approved), or on March 7, 2008 (date index was available)?  (Note: Nothing is mentioned in the agreement about work starting on the date of last signature.)

You can start spending on a grant once you have approval from ORSA. You may post charges back to the beginning of the stated period of performance - in this example, August 1, 2007.

The contracts office indicated that no work can be done until the contract is signed?
- This is only the case if the contract is effective as of the last signature date, which many of the BAO contracts are. Many ORSA contracts have a period of performance referenced in the contract or state that expenses may be incurred back to a specific date. Once a contract is fully-executed (has all signatures), you can post charges back to the start date.

A recommendation was made for ORSA to include a section on their web-site to include acronyms and definitions of grant-related language

- An updated acronym list can be accessed from the Quick Links section of the ORSA website.  
  *ORSA-Quick Links - Acronyms

Meeting adjourned – 12:00pm