Business Assistance

Advance PI Meeting
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Ask Early, Ask Often!!

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The Division of Grants and Agreements (DGA)

- handles approximately 35,000 active awards in any given year
- reviews, negotiates & obligates funding for around 11,000 new awards each year
- is responsible for monitoring the business practices of all of our grantees

With this in mind, DGA

- is focusing on portfolio management and post-award administration
Considerations for DGA

- **Type of awardee institution** – academic, community colleges, non-profit, local school systems, local government/tribal, for-profit

- **Financial factors** – grant amount, cost sharing, F&A rate (indirect)

- **Administrative factors** – type of award & conditions that apply, cognizant agency, subcontracting arrangements
Grants versus Cooperative Agreements

**Grants - NSF Role**
- Hands Off Project
- Minimal Monitoring

**Cooperative Agreements - NSF Role**
- Substantial Monitoring & Some Degree of Shared Responsibility
- NSF Technical & Managerial Responsibilities Specified in the Agreement
The NSF Award

- **Grants**
  - Award Letter, Grant General Conditions, occasional special conditions, and other documents incorporated by reference
  - Electronic dissemination of Grant Letter and Grantee Distribution of T&C
  - Also available electronically via FastLane

- **Cooperative Agreements**
  - Financial & Administrative Terms and Conditions
  - Programmatic Terms and Conditions
Grants and Cooperative Agreements

- Primary Responsibility - PI & Institution (GC-1)

- Annual reporting tied to proposal activities, grant conditions and/or milestones
Grant Award and Administration: Awardee Roles and Responsibilities

- Federal Accounting Requirements
- Sub-awards Monitoring
- Allowable Costs
  - Time and Effort Reporting
  - Participant Support
  - Consultants
  - Equipment
  - Indirect Costs
Federal Accounting Requirements

- Administrative Requirements
  - Higher Education & Non-Profit: OMB A-110
  - State and Local & Tribal Governments: OMB A-102
  - For Profit Organizations: GAAP & OMB A-110 (as incorporated by award terms & conditions)

- Cost Principles
  - Higher Education: OMB A-21
  - Non-Profit Organizations: OMB A-122
  - State and Local & Tribal Governments: OMB A-87
  - For Profit Organizations: FAR 31.2

Project Reporting

Annual Reports
- Due 90-days prior to Expiration Date
- Required for **ALL** Standard & Continuing Grants and Cooperative Agreements

Final Reports
- Due Within 90-days after the Expiration of an Award
- Required for **ALL** Standard & Continuing Grants and Cooperative Agreements
- Required for Individual Research Fellowships per Program Solicitation
Technical Reporting/Monitoring

- Required Technical Reports
  - Annual Project Reports
  - Final
  - Report Contents Include: Participants, Activities & Findings, Publications & Products, Contributions, and Special Requirements

- Technical Monitoring
  - Program Officer Site Visits

- Interim Project Reports
  - Significant Events
Other Administrative Requirements

- Use of Consultants
- Equipment
- Travel
- Program Income
Participant Support Costs

- **DEFINITION:** Costs for participants or trainees (not employees) in connection with NSF-sponsored conferences, meetings, symposia, training activities and workshops.

- It is not a “natural account” in most accounting systems.

- Title given to a group accounts incurred for the above purpose.

- Awardee organizations must be able to account for participant support costs.
Participant Support Costs

- Participants or Trainees (not employees – exception school districts – teacher training)
- Stipends, subsistence allowance, travel, registration fees, copies, tuition
- Funds approved in the budget may not be re-budgeted to other expense categories without prior written approval of the NSF program officer
Participant Support Costs

- Awardee organizations must be able to identify participant support costs.
- Participant Support Costs is not a normal account classification
- Highly recommended that separate accounts, sub-accounts sub-task or sub-ledgers be established to accumulate these costs.
- Should have written policies & procedures.
Participant Support Costs

Written prior approval from the NSF Program Officer is required for reallocation of funds provided for participant or trainee support (see GC-1 Article 7).

The prior approval requirements identified above (as well as other types of award related notifications stipulated in GPM Exhibit III-1) must be submitted electronically to NSF through use of the NSF FastLane system at https://www.fastlane.nsf.gov.
Participant Support Costs …

- Typically excluded by NSF from application of the indirect cost rate (MDTC – and pass through funds – such as stipends)
- Participant support – eligibility – what did participants have to do to receive the payment
- Documentation of attendees at conferences or workshops
Participant Support

- If reallocated – did NSF PO provide prior approval in writing?
- Policies and procedures for determining what were the participant support costs (copies for handouts at a workshop?)
- If award still active explain change to PO – example – 50 people sought for workshop only 30 were interested – increased stipend?
Subawards

- Description of work and duties
- Provide adequate information to sub-recipient:
  - source of Federal funds including CFDA number, and
  - any special program requirements
- Budgets signed by authorized organizational representative
Subcontracting - Procurement

- **Subrecipient** – performance measured against award objectives, responsibility for programmatic decision making, Federal compliance requirements apply, uses the pass through funds to carry out a program. (subcontract)

- **Vendor** – provides goods or services to many different purchasers as normal business operations, operates in competitive environment, ancillary or subordinate to program, not subject to Federal compliance requirements
Pre-award Review of Sub-recipients

- Financial Capability - responsible and able to perform
- Adequate Accounting System
- Cost or Price Analysis
- Indirect Cost Rate Review
- Debarment & Suspension List

http://www.fda.gov/ora/compliance_ref/debar/
Post-award Monitoring of Sub-recipients

- Evaluate, Monitor & Document:
  - Federal Awards used for authorized purpose
  - In compliance with laws, regulations and subaward provisions
  - Performance goals are achieved
- Ensure A-133 Audits are Performed as Required
- Resolve Audit Findings & Questioned Costs
- Notify Responsible Federal Agency of Significant Developments
Consultants

- Professional who possess a special skill.
  - Should not be officers or member of the Board of Directors.
  - Allowable when reasonable in relation to the services rendered.
  - The NSF previous limitation on Consultant Costs has been removed with our 06 Appropriation.

Can be found on our web site:
http://www.nsf.gov/bfa/dias/caar/start.htm
Audit Requirements

- Grant General Conditions (GC-1) Article 23
- Federal Demonstration Partnership (FDP) Terms and Conditions Section .26
- Grant Policy Manual Section 350
- NSF Office of Inspector General Activities
And when things really go wrong…

The award may be suspended or terminated in whole or in part in any of the following situations:

- **By NSF when:**
  - the grantee has materially failed to comply with the terms and conditions of the grant;
  - the Foundation has other reasonable cause;
  - ordered by the Deputy Director under NSF's Regulation on Research Misconduct (45 CFR §689);
  - NSF and the grantee by mutual agreement (if NSF and the grantee cannot reach an agreement, NSF reserves the right to unilaterally terminate the grant); or

- **By the grantee on written notice to NSF.**
Keys to Success

- Know Requirements (award conditions, NSF requirements, use GPM and Exhibit III, GC-1, OMB Circulars)
- Good Accounting Practices
- Meeting Research Objectives
- Document Approvals by/communication with NSF Program and Grant Officials
Accessing Documents on the NSF Web Site

Under DGA home page
- Policies & Procedures
- NSF Specific (GPM, GC-1, FDP)
- OMB Circulars
- Prospective New Awardee Guide
- CFDA (ex. 47.076 for Education and Human Resources)
Accessing Documents on the NSF Website

- Click: For the Research & Education Community
- Proposal Preparation
  - Grant Proposal Guide
  - Frequently Asked Questions
- Award Administration
  - Grant Policy Manual
  - Grant & Agreement Conditions
  - Frequently Asked Questions
OMB Circular A-133
(Audits of State, Local Government, & Non-Profit Organizations)

- Establishes uniform audit requirements for non-Federal entities that administer Federal awards

- Requires an annual audit (by an auditor selected by awardee) for entities that expend over $500,000 annually in Federal funds

- Allows Federal agencies to conduct or arrange for other audits
Time and Effort Reporting

Labor Distribution System
Not the same Payroll System

Personnel Activity Report must:

- Reflect an after-the-fact distribution
- Account for total (all) activity for which the employee is compensated
- Must be signed by the employee or supervisor having first hand knowledge of work performed by the employee
Indirect Costs (F&A)

- NSF Guidelines GPM 630:
  - Grantee entitled to full reimbursement of indirect costs
  - Basic Exceptions - limited or no Indirect cost:
    - Equipment
    - Participant support
    - Foreign grantees

- Include rate, base and brief explanation in budget justification
Equipment

- Budget should list w/ dollar amount for each item exceeding $5,000 (grantee could have lower threshold)
- NSF does not pay indirect costs (F&A) on equipment
- Further guidance: Equipment (GPM 612) Property Standards (GPM 540), GC-1 Article 6, A-110 Property Standards, A-21
Cost Sharing

- Participation in the cost of a project

- Statutory requirement of 1% for unsolicited research and education projects (GPG).

- Any additional cost share will be explicitly stated in the program solicitation.
Audit - Record Retention

- 3 Years from submission of Final Project Reports – including:
  - Final Expenditure Reports

GC-1 Article 22 and 15
Audit Requirements

- Grant General Conditions (GC-1) Article 23
- Federal Demonstration Partnership (FDP) Terms and Conditions Section .26
- Grant Policy Manual (GPM) Section 350
- NSF Office of Inspector General Activities
The Division of Institution and Award Support (DIAS)

- Cost Analysis and Audit Resolution (CAAR Branch)
- Policy
- Systems Office
CAAR Branch

Responsibilities

- Award Monitoring
- Accounting Systems Reviews including Pre-award and Indirect Rate negotiations
- Audit Resolution
Accessing Documents on the NSF Web Site

- Click Grants & Awards
- Click Proposal Preparation
  - Grant Proposal Guide (GPG)
  - FastLane info