Goal for Reform

“Reduce Both Administrative Burden and Risk of Waste, Fraud and Abuse”

- Limiting costs for best use of federal resources
- Stronger oversight
- Target audits on risk of waste, fraud and abuse
COFAR

“Strong Controls Yield Better Outcomes”

- Guidance targets risks & minimize burden
- Standardized business processes & data
- Well trained workforce
- Strong program oversight
Uniform Guidance - Feds

- OMB will not revise document
- Accepting comments and questions
- Issue FAQs to address issues
- OMB & COFAR leadership
Agency Implementation

- Must submit DRAFT to OMB by June
- Not able to share plans/strategy
- Work towards consistency over summer
- Issue plans in early fall (target)
- Train agency staff
Agencies, cont.

- Substantial impact to their policy office and operations
- Harried, frustrated, frantic staff
  - Unclear why timing was surprising
- Potential changes to their systems and websites
- Limited coordination among agencies
Grantee Community

- Measuring local impact
  - Not panicked (yet)
- Designate workgroup(s)
- Seeking consensus on interpretations
- Sharing info via COGR and FDP
- Provide feedback to agencies
WU Community

- How do we apply UG to proposals right now?

- Waiting on agency guidelines
  - Waived prior approvals
  - Applicability to existing awards
  - Impact to current WU policies
  - Inconsistent approach by agencies
  - Modifications to APS & PDS
Working Group

- DAs from Med School and Danforth & OSRS, SPA, OGC, Compliance
- Purchasing, H/R, Dean’s Office and others as needed
- Monthly meetings
- Detailed discussion & feedback
Issues to Consider

- Review/document risk of subrecipient
  - Perform prior to issuing sub
  - Applies to new only?

- Pass-through entity must identify is award is R&D
  - Prime award mechanism & CFDA number
  - Clinical site at WU = OSA
  - Impact to F&A rate

- Fixed amount awards – written approval
  - Clinical sites & $150K limit
Issues, cont.

- “… the substance of the relationship is more important than the form of the agreement.”

- Fixed fee subagreements for clinical sites (prime award is grant)

- Non-federal entity may not earn or keep any profit resulting from Federal Financial Assistance
Issues, cont

- Incidental compensation – paid at IBS & prior written approval
  - “Project Pay” & approval timing
  - Use of flat rates and not IBS

- Intra-university consulting – approved in writing by federal agency

- Vacation payout – treated as F&A cost
  - VAP earnings code
  - Charge fed portion to Dept account?
  - Determine of options in HRMS
Issues, cont.

- Computing devices – essential and allocable, but not solely dedicated, to the performance of the award
  - Machines used to acquire, store, analyze, process and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information
  - PCs, servers and what else??
Issues, cont.

- Consulting costs – the necessity for contracting for the service, considering the non-federal entity’s capability in the particular area
  - Require PI to justify on consulting form
  - Honorariums to speakers
Issues, cont.

- Equipment - Percentage of federal participation in the project costs & use
  - Clarify terms
  - Add info to comment field in property system

- "Micro-purchase"
  - Aggregate dollar amount does not exceed $3,000

- Must avoid acquisition of unnecessary or duplicative items
Issues, cont.

- **Travel** – participation is necessary to the Federal award
  - Require statement on Travel Report?

- **Commercial air travel**
  - Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by the commercial airlines are unallowable except...
  - Result in additional costs that would offset transportation savings
Effort Reporting

- Remove examples
- Less prescription & more flexibility
- Standards of Documentation
  - “…Includes process to review after-the-fact interim charges made to Federal awards based on budget estimates”
- Retain current salary certification approach
  - No change to DS2
ePARS-Future Considerations

- Move non-faculty to semi-annual
- Only Med school faculty working on research
- Only employees working of federal projects
- Certify federal %’s, and roll rest into one number
Admin & Clerical Salaries

- May be appropriate only if all are met:
  - Services are *integral* to project
  - Individuals can be specifically identified with project or activity
  - Cost are explicitly included in budget or have prior written approval from fed agency

- “Identification with the award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect.”
Certifications

- To assure expenditures are proper and in accordance with terms and conditions of award...

- “I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.”
More Issues

- Each federal agency to develop its own COI rules
  - Possibility of core principles & consistency?