


NCURA Region II
Hot Topics in Research Administration

PRESENTERS

Denise Clark
Associate Vice-President for Research, University of Maryland College Park

Ann Holmes
Assistant Dean, Finance & Administration
College of Behavioral & Social Sciences



**The Government
Shuts Down!**

**The Government
Opens Up!**

THINGS TO CONSIDER

Deadlines have been extend

Stop Work Orders

Due Dates for Status Reports

Payments

The Agencies are asking for pallenace and timel

See Guidance page 1

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SEQUESTRATION

WHAT IT MEANS FOR RESEARCH?

SEQUESTRATION:

- > Making the size of the Federal government's budget deficit a matter of conscloous choice rather than simply the arithmetical outcome... in which no one ever looked at the cumulative results until it was too late...
- > Budget Resolution minus appropriation bills equals automatic spending cuts or "sequestration"...

Dr. Paul M. Johnson - Auburn Univ.

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SOME OF THE NUMBERS 2013

- > NIH - \$1.55 billion FY13
 - > Grant success rates would drop from 19% to 14%
- > CDC - \$445 million
- > FDA - \$191 million
- > NSF - \$538 million
 - > Estimated 1,000 grants would NOT be awarded
 - > Grant success rates would drop from 22% to 16%

Research America:
Health Research at the Breaking Point

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NIH SEQUESTRATION

- > All non-competing continuation awards are currently being funded below the NOA amount (generally 90%)
- > NIH likely to:
 - >Keep average funding levels at constant @ FY12
 - >Make fewer competing awards
- > Inflationary increase for future years discontinued
- > NIH ICs will each announce their approaches separately

NIH: NOT-OD-13-064 5/8/13
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NSF SEQUESTRATION

- > Guiding Principles:
 - >Protect NSF's core mission and maintain existing awards
 - >Protect NSF Workforce
 - >Protect STEM human capital development programs
- > Plan
 - >All continuing grant increments in FY2013 will be awarded as scheduled
 - >Intent to do the same with cooperative agreements
 - >Reduce the number of new research awards for FY2013 (estimate 1,000 less)

NSF Notice No. 133 - Feb 27, 2013
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AFOSR SEQUESTRATION – UNOFFICIAL EMAIL

- Reviewing unspent funds at of December 31, 2012
- Stress that decisions are budgetary NOT scientific
- Some projects funded at lower levels – please note the author’s comments about unspent funds from previous years

See page 7

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SEQUESTRATION #2

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WHAT MAKES A TOPIC HOT?

- OIG Audit Plans released
- New regulations or changes to existing law
- Investigations of research by government or press
- Audit findings at other institutions
- Allocations of wide-spread non-compliance

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O.I.G. AUDIT PLANS

- Office of Inspector General publishes its plan annually to describe the focus of its audits in the coming year.
- Each federal agency as its own OIG Audit Office
 - e.g. NIH Office of Inspector General <http://oig.hhs.gov>

➤ Note audit plans delayed to as late as January 2014

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HIGHLIGHTS OF HHS OIG AUDIT PLAN

- Review of Recovery Act funds for construction and equipment
- Review of IRB oversight of Human Subjects Protection
- Claims for extra compensation and salary draws from multiple institutions
- Cost Sharing
- Detailed Work Plan:
 - <https://oig.hhs.gov/reports-and-publications/archives/workplan/2013/Work-Plan-2013.pdf>

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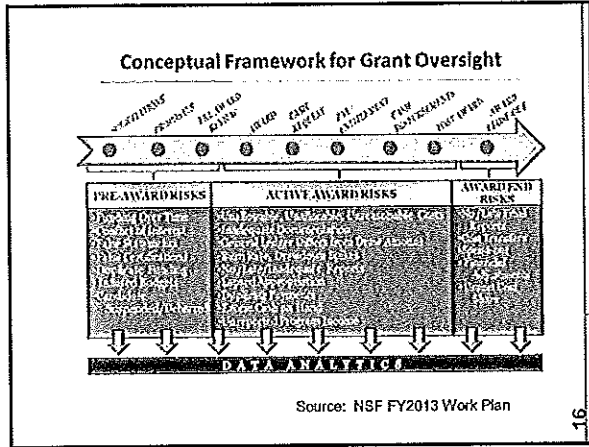
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HIGHLIGHTS OF THE NSF AUDIT PLAN

- ARRA Awards
- Congressionally-mandated reports on expenditures on any conferences costing more than \$20,000 per conference
- Academic Research Infrastructure Program
- Recovery Act Financial and Compliance Audits
- Allowable Cost
- Detailed Work Plan:
 - <http://www.nsf.gov/oig/FY13auditworkplan.pdf>

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**RECENT CHANGES
IN REGULATIONS**

REFORM OF FEDERAL POLICIES RELATING TO GRANTS & COOPERATIVE AGREEMENTS

> OMB released its proposal for public comment in the Federal Register on Feb 1, 2012 – Deadline was June 2013

> <http://www.gpo.gov/fdsys/pkg/FR-2013-02-01/pdf/2013-02113.pdf>

Pages 40-51

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HIGHLIGHTS OF PROPOSED CHANGES

- > 1) Agencies are required to keep funding announcements open for 30 days.
- > 2) Added focus on agencies to comply with the Paperwork Reduction Act.
- > 3) Voluntary committed cost sharing is not expected under Federal research proposals and is not to be used as a factor in the review of applications or proposals, except where otherwise required by statute.
- > 4) Institutions can extend their current F&A rates for up to 4 years.

Source: COGR

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HIGHLIGHTS OF PROPOSED CHANGES

- > 5) Pass-thru entities are required to pay the full F&A rate.
- > 6) Effort reporting is not eliminated, but the "Examples" are.
- > 7) Direct charging of administrative personnel and computing devices is allowable when directly allocable to a project.
- > 8) All institutions can receive a "utility allowance" via new methods: weighting of research square footage or sub-building metering.

Source: COGR

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HIGHLIGHTS OF PROPOSED CHANGES

- > 9) Agency restrictions on F&A caps are now more rigorous for an agency to obtain -- though we need to better understand from OMB how this becomes transparent to our institutions.
- > 10) Apparent elimination of the DS-2 and CAS as it relates to Grants.
- > 11) Potential audit relief, though this is not clear. Initially, we did not see relief in regard to a prime's monitoring responsibilities when the sub is another research university.

Source: COGR

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OTHER RECENT CHANGES IN REGULATIONS

SEE HANDOUTS BEGINNING ON PAGE 53

NIH SIGNIFICANT CHANGES FY2014

- Allows 37 month window for resubmission of unsuccessful proposals – see NIH NOT-OD-12-126
- Clarifies the NIH Policy on Mitigating Risks of Life Sciences Dual Use Research of Concern – see NIH NOT-OD-13-110
- NIH will start requiring an eRA Commons ID for all individuals in graduate and undergraduate student roles who participate in NIH-funded projects for at least one person month or more. See NIH NOT-OD-13-097
- Implements new HHS payment policy announced in NOT-OD-13-111.

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NIH PAYMENT MANAGEMENT SYSTEM

The change to the method of making payments is being changed from a line-of-credit pool to account-by-account (subaccount) draws to enhance financial data integrity.

Notices will now have PMS Account Type
An "s" after the award type number = subaccount
Transition to subaccounts will occur between 10/1/2013 and 9/30/15

Carryover (unobligated) balances will be reported and then re-obligated to the new subaccount in PMS. The funds can be drawn if the award as automatic carryover authority

All new awards will be subaccounts (P) with award types that contain the "s"

NIH will be reviewing funds with 25% unobligated

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S = NIH looking at burn rate



NSF Proposed Changes
<http://www.nsf.gov/bfa/policy/pap/papp14/draft/papp14 June2013.pdf>

- > Chapter II.C.2.g.(x)
 Requires cumulative cost sharing amounts be placed on the first year's budget. If it's required in the first year's budget, will grantees be expected to account for cumulative cost sharing amounts in that time frame or have the entire project period to account for cost sharing commitment.
- > Chapter II.D.8- Proposals for Conferences, Symposia and Workshops-
 Proposers are expected to include provisions for child care in these settings. Who is expected to pay for these costs and to what extent is the child care to be provided. Will NSF provide guidance for minimal child care? Who pays for the time it takes to do the background logistical arrangements and take care of any related collection of fees?
- > Chapter IV.A.6-Conflict of Interest Policies-
 Conflicts that cannot be satisfactorily managed, reduced or eliminated, and research that proceeds without the imposition of conditions or restrictions when a conflict of interest exists, must be disclosed to NSF via use of the Notifications and Requests Module in FastLane.

NSF Proposed Changes (Continued)

- > Chapter VII-Environmental Compliance-
 Should an award have to terminate due to environmental impacts, can grantees receive reimbursement for any non-cancellable commitments resulting from early termination of award.
- > Visa Costs
 Short-term, travel visa costs (as opposed to longer-term, immigration visas) are generally allowable expenses that may be proposed as a direct cost on an NSF proposal. Since short-term visas are issued for a specific period and purpose, they can be clearly identified as directly connected to work performed on an NSF-related project. For these costs to be included on an NSF budget, they must:
 - be critical and necessary for the conduct of the project;
 - be allowable under the applicable cost principles;
 - be consistent with the organization's cost accounting practices and organizational policy; and
 - meet the definition of "direct cost" as described in the applicable cost principles.

OPEN-ACCESS POLICY

- > New policy announced February 2013
- > Goal -- Make research results publicly available within a year of publication
- > Scientific data must be available to the public "to search, retrieve, and analyze"
- > Each Federal Agency must develop a plan

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CONFLICT OF INTEREST

- NIH Financial Conflict of Interest (FCOI) Regulation
 - Change in personal interest threshold from \$10K to \$5K
 - Reporting of travel reimbursements paid by others
 - Requires formal training of PI AND staff on COI
 - Certain COI information must now be made public

New rules effective August 24, 2012
<http://grants.nih.gov/grants/policy/foi/>

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INVESTIGATIONS OF INTEREST

- NSF Semi-Annual Report to Congress – page 81
- Duplicate Grants – page 85
- Fraud – Penn State – page 87
- Intellectual Property Concerns – page 89

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WHAT AUDITS ARE TELLING US

AUDITS OF IRB

- > HHS has announced it will be looking at IRB and Human Subject protocols.
- > Are subjects being told are alternative treatments?
- > Are consent forms clearly informing participants about the future use of specimens?
- > Watch for future developments!

U Michigan audit response page 93

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AUDITS AS CASE STUDIES

- > University of Wisconsin-Madison
- > Florida State University
- > University of California, Santa Barbara

Audits begin on page 104

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**ADJUSTMENTS
POST CLOSE OUT**

New Focus on Adjustments

See Handout page 142

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LAB SAFETY ISSUES

- > University of California Los Angeles student died as a result of injuries sustained in a lab while performing scientific tests
 - > Not wearing safety gear
 - > Training was improper
- > Felony charges brought against the PI
- > UCLA sued for millions

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Safety Culture

Goal: Attain instinctive level of safety engagement, transformational management of safety and full engagement of our research community.

Three-Year Strategic Plan – Safety Attitudes, Perceptions and Engagement in Research

Key Objective	Identify Where We Are	Clarify and Build Consensus on Expectations	Educate Researchers in Safety Responsibilities and Expectations	Strengthen Collaborative Relationship with Research Community	Engage Support for Research Community
Understand perceptions and attitudes of research community regarding safety. Establish standards for future comparisons.	<ul style="list-style-type: none"> • Safety culture survey is being developed with assistance from a cultural anthropology specialist. • Survey will be given to researchers at all levels working in laboratories at the different colleges on campus. • Purpose of survey: Assess level of Principal Investigator management and ownership of safety at each lab. 	<ul style="list-style-type: none"> • Five expectations for Principal Investigators to manage safety in their laboratory have been identified. • Consensus of expectations with the research community. • Clear support for research level for management of expectations for research at UCLA. 	<ul style="list-style-type: none"> • Incorporate safety culture, responsibilities and expectations into existing safety training programs. • Develop Principal Investigator training that focuses on the University's expectations, the PI's responsibilities and safety management best practices. 	<ul style="list-style-type: none"> • The laboratory inspection program has evolved from checklist based to a more interactive and engaging format. • Creation of Research Safety Advisor program. Research Safety personnel will be assigned to departments with the goal of building a relationship with the researchers and serve as the primary resource for improving safety in the laboratories. • Internal grant development and cost tracking. 	<ul style="list-style-type: none"> • Minimize the barriers to doing the right thing. • The scope of the OSHA coordination funds has been expanded to additional laboratory safety improvement projects, including basic gas cabinets. • Define additional sources of funding for facility improvements in research labs. • Develop and/or improve guidance documents to assist researchers with identifying hazards, assessing risks and selecting appropriate controls. • Develop a comprehensive plan that streamlines the entire process of managing safety in the lab.

Principal Investigator Expectations

Demonstrate Commitment to Safety	Assess and Plan for Hazards and Risks	Implement Controls	Provide Job-Specific Training to all Job Members	Continue to Improve
Model safe job practices.	Identify hazards and perform risk assessments.	Substantiate hazardous materials and/or equipment, where possible.	Train job members on the hazards in your job and the safe operation of equipment.	Provide instruction to job members to report safety concerns, accidents and incidents.
Include safety of job in all meetings.	Review OSHA or equipment changes.	The appropriate engineering controls (fume hoods, biological safety cabinets, etc.)	Ensure that job members take required PPE training.	Share lessons learned from incidents and near misses at job meetings.
Walk through your job as a regular habit.	Incorporate safety into job SOPs.	Provide and require job members to wear appropriate PPE.	Lab-specific training for people and guidance.	Link to incident and near miss reports.
Encourage job site inspections.	Obtain permits for job operations including or associated processes.	Time tested types, size and maintenance information.	Link to MSDS/MSDS sheets.	Link to lessons learned from OSHA incidents.
Enforce rules.	Look and assign jobs for job members and SOP development.	Approved safety cabinet size and maintenance information.		Link to Chemical Safety Board/ID Investigation report.
Link to articles about safety culture.	Safety literature - fact sheets, MSDS, equipment guidance, etc.	PPE information.		
Summary of risk actions for emergency for safety culture.				

Principal Investigator/Investigators Principal Investigator/Actors Guidance Documents and used one on OSHA Web Page

NON-COMPLIANCE ISSUES

Allegations and their Impact on Federal regulations

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CLOSE OUT

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ALLEGATIONS OF WIDE-SPREAD NON-COMPLIANCE OR FRAUD

- > Fox News Reports: "\$16 Muffin Story"
 - > Becomes a major news story in September 2011
 - > Within weeks DOJ issues notice disallowing food purchases with federal funds
 - > HHS issues new policies on Jan 3, 2012
 - > NIH begins sending notices disallowing meals/food and beverages on grants

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HOW ALLEGATIONS CHANGED POLICY

- > HHS – Use of Funds for Conferences, Meetings and Food
 - > See page 162
- > NIH – Policy on Promoting Efficient Spending
- > ARMY – Directive 2011-20 Conferences

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REAL LIFE EXPERIENCES SINCE MUFFIN GATE....

- > Conference related expenditures being pulled for review.....at the transactional level detail, the conference fee includes the cost of the conference, including meals AND states the following as also included (no breakdown of costs, just a lump sum for attendance):
 - RECEPTION
 - COCKTAILS
 - BEER AND WINE
 - NETWORKING HOUR

See page 161

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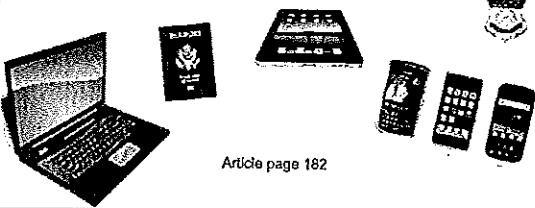
TRAVEL ISSUES

Foreign Travel

Where are you going?
 What are you carrying?
 What are you doing with it?
 When are you returning?

Did you know

an export license may be required to carry your laptop, tablet, or mobile device abroad?



Article page 182

TIPS:

Smooth Travel

-If you must bring equipment, contact your export office or travel office as soon as possible to find out if there are any restrictions or license requirements.

-Carry a letter with your equipment to certify that you meet the TMP exception. This may reduce the likelihood of customs inspections and seizures.

-Remove all proprietary and controlled technical data from your hard drive. Make use of passwords, VPNs, secure networks, and firewalls to protect information.

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LOOKING AHEAD

OMB REFORMS UNDER DISCUSSION

Council on Federal Assistance Reforms has set priorities for the next three years:


- >Streamlining data collection across agencies –
 - > Define data fields
 - > Standardize data collected in performance reports
- >Standardize financial reporting – obligation of funds and spending rates
- >Training of federal employees involved in grant management
- >Review of audits and A-133 reporting to strengthen oversight and reduce costs

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CONTACT INFORMATION

Denise Clark
djclark@umd.edu

Ann Holmes
amholmes@umd.edu



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