NCURA Region II
Hot Topics in Research Administration

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The Government Shuts Down!

The Government Opens Up!

Hot Topics in Research Administration
THINGS TO CONSIDER

Deadlines have been extend
Stop Work Orders
Due Dates for Status Reports
Payments

The Agencies are asking for patience and time!

See Guidance page 1

SEQUESTRATION

WHAT IT MEANS FOR RESEARCH?

SEQUESTRATION:

> Making the size of the Federal government's budget deficit a matter of conscious 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.
Page 2
SOME OF THE NUMBERS 2013

- NIH - $1.55 billion FY13
- Grant success rate would drop from 19% to 14%
- CDC - $445 million
- FDA - $191 million
- NSF - $538 million
  - Estimated 1,600 grants would NOT be awarded
  - Grant success rates would drop from 22% to 16%

Research America:
Health Research at the Breaking Point

NIH SEQUESTRATION

- All non-competing continuation awards are currently being funded below the NOA amount (generally 99%)
- 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-13-054 07/13
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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. 13-09 - Feb 27, 2013
Page 5
AFOSR SEQUESTRATION - UOFFICIAL 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

SEQUESTRATION #2

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
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 has its own OIG Audit Office
  - e.g., NIH Office of Inspector General [http://oig.nih.gov]

- Note: Audit plans delayed to at least as late as January 2014

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:

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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:

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Recent Changes in Regulations

Reform of Federal Policies Relating to Grants & Cooperative Agreements

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

Pages 49-51
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

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 subbuilding metering.

Source: COGR

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
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-12-123

- 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-13-087

- Implements new HHS payment policy announced in NOT-OD-13-111.

Page 50-54

NIH PAYMENT MANAGEMENT SYSTEM

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

Notices will now have PMS Account Type.

An "a" after the award type number = subaccount

Transfers 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 (F) with award types that contain the "a"

NIH will be reviewing funds with 25% unobligated page 55

S = NIH looking at burn rate
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

Rules effective August 24, 2019
[link to NIH website for details]

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

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

AUDITS AS CASE STUDIES

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

Audits begin on page 104

ADJUSTMENTS POST CLOSE OUT

New Focus on Adjustments
See Handout page 142
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

Safety Culture

Goal: Achieve institutional level of safety engagement, transformational management of safety and fat engagement of our research community

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

<table>
<thead>
<tr>
<th>Objective A: Safety Attitudes</th>
<th>Objective B: Safety Training and Education</th>
<th>Objective C: Safety Compliance and Enforcement</th>
<th>Objective D: Safety Culture and Engagement</th>
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<tbody>
<tr>
<td>- Enhance safety culture</td>
<td>- Develop a comprehensive training program</td>
<td>- Ensure compliance with all safety regulations</td>
<td>- Foster a culture of open communication</td>
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<td>- Increase safety awareness</td>
<td>- Offer safety training for all personnel</td>
<td>- Conduct regular safety audits and inspections</td>
<td>- Encourage reporting of safety concerns</td>
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<td>- Reduce accidents and injuries</td>
<td>- Implement a comprehensive safety education program</td>
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<td>- Recognize and reward safety champions</td>
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Hot Topics in Research Administration
### NON-COMPLIANCE ISSUES

**Allegations and their impact on Federal regulations**

### CLOSE OUT
ALLEGATIONS OF WIDE-SPREAD NON-COMPLIANCE OR FRAUD

> Fox News Reports: "516 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

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

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
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

Smooth Travel

TIPS
-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.
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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