

UNIFORM GUIDANCE UPDATE

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The logo for One UC Davis, featuring the word "One" in a yellow, rounded font, followed by "UC DAVIS" in a white, bold, sans-serif font. The logo is positioned in the bottom right corner of the slide, partially overlapping a large, light blue, curved brushstroke graphic that sweeps across the right side of the page.

One UC DAVIS



What is the Uniform Guidance?

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Streamlines and supersedes eight OMB circulars, including A-110, A-21, A-133.
- Unifies higher ed, government and non-profit guidelines
- Includes pre- and post-award requirements, cost principles, and audit requirements.

When does the new guidance go into effect?

- Issued by OMB in December 2013
- New awards received after December 26, 2014 will be governed under new regulations.



Recent Activity

- Guidance being implemented through each federal agency.
- NSF has released its proposed PAPPG guide incorporating new guidance.
- Agencies' proposed regulations were due to OMB June 26, 2014 (at least one agency asked for an extension).
- OMB is reviewing for consistency with Guidance and considering waiver requests.
- OMB released answers to FAQs on August 29 2014
- COGR guide to UG released September, 17th, 2014
- Interim final regulations released on December 19th, 2014
- Public comments due February 17th, 2015
- New awards received after December 26 2014 will be governed under new regulations
- Proposals submitted that anticipate an award start date after December 26, 2014 will be reviewed under the new guidelines.

Systemwide Implementation Strategy

- UCOP taskforce with campus representation:
 - James Ringo, Extramural Funds Accounting
 - Debra Henn, Extramural Funds Accounting
 - Mike Legrand, Costing Policy and Analysis
 - Cindy Kiel, Office of Research
 - Amy Holzman, Internal Audit
- Draft UG analysis memo October 6, 2014
- Systemwide policies and grant/contract guidelines will be updated
- Final UG analysis memo December 5, 2014

Campus Implementation Strategy

- UC Davis taskforce has been chartered
- Co-chairs:
 - Mike Allred, Associate Vice Chancellor for Finance/Controller
 - Cindy Kiel, Executive Associate Vice Chancellor, Office of Research
- Faculty representatives
 - Cliff Tepper
 - Christoph Vogel
 - Janet Foley
- Evaluate impacts
- Identify needed policy and procedure changes
- Draft new policy and guidelines
- Update data and technology resources
- Inform and educate campus community

Campus Implementation Strategy

December 26, 2014 – June 30, 2015

- **Maintain current A-21 based policies except for:**
 - **New awards governed under UG requirements**
 - **Incremental actions governed under UG requirements**

July 1, 2015 Forward

- **Comply with UG requirements for all awards and incremental actions**

Effect on Proposal Development

- If funding period expected to begin after December 26, 2014
- Computing device costs (essential, allocable and reasonable still apply)
- The following require prior approvals
 - Administrative Salaries
 - Elimination of major project – can direct charge admin salaries if they meet the following:
 - Are integral to the project
 - Individuals can be specifically identified with the project
 - Costs are included in the budget or have prior written approval
 - Costs are not also recovered as indirects
 - Participant support
 - NIH application: not applicable to Kirschstein-NRSA programs; only allowable when identified in funding opportunity announcement (FOA)

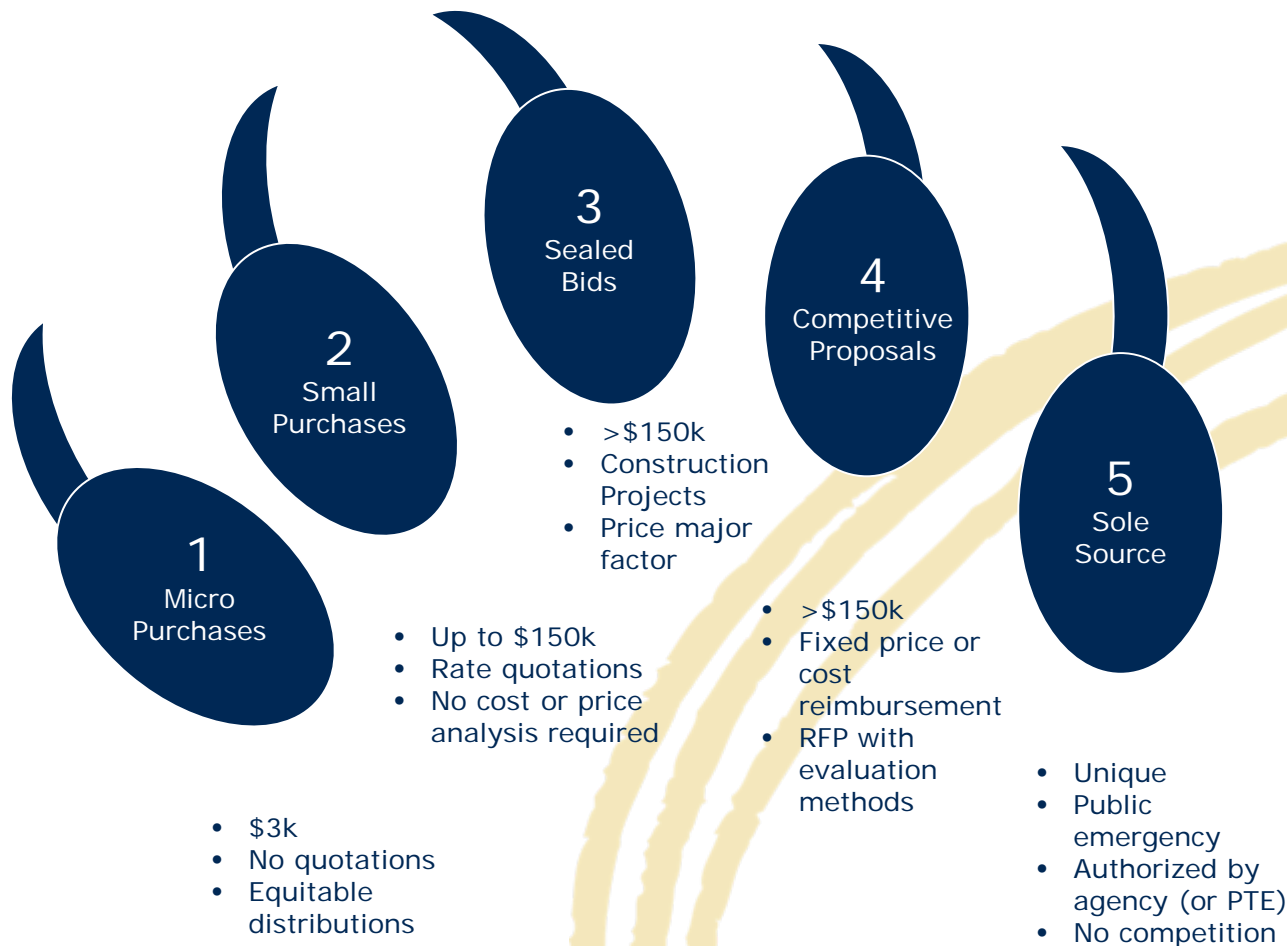
Cost Sharing

- Must be included in the notice of funding opportunity
- Voluntary committed cost share is not expected and cannot be used as a factor during merit review
- Voluntary uncommitted cost share as defined in the Jan 2001 OMB guidance memo was incorporated into the interim final UG
- Prior approval to use unrecovered F&A as cost share match

Subawards

- Subrecipient and contractor determinations (currently unresolved)
 - Potential impact on F&A return and administrative burden.
- Requirements for pass-through entities
 - Requires the use of Federally negotiated rates, the de minimis rate of 10% or rate negotiated with pass through entity
 - NIH only allows 8% to foreign entities
- Prescribes specific monitoring activities as compared to guidance in A-133
 - Raised A-133 audit requirement to \$750K
- Fixed amount subawards
 - With prior approval
 - Issued up to the Simplified Acquisition Threshold (\$150K)
- Payments to subrecipients must be made within 30 days from receipt of invoice

Procurement (grace period until July, 2016)



Procurement

- OMB has provided a grace period for the implementation of the new procurement standards for Federal funds
 - FY 2016 UC must document for auditors whether the old standards or new standards are in place
 - FY 2017 new standards must be in place

Reporting & Certifications

- Fiscal
 - Annual and final fiscal reports requesting payment must be signed by an official who is authorized to legally bind the university
 - Holds the individual personally responsible for the information
 - Aware of false claims
- Technical
 - Institution must monitor interim and final technical report submissions

Direct Costs

- **Administrative Salaries (prior approval required)**
 - Removed the major project requirement
 - Must be integral to the project
- **Computing Devices**
 - Are allowable direct charges if they are essential and allocable even if they are not solely for the project
- **Visa Costs**
 - UG allows for payment on short-term visas that are critical and necessary for a particular project. We believe short-term visas will include the H-1B and J-1 visas.
 - UC Davis will monitor agency rules for implementation

F&A Rates

- Allows for universities that currently do not receive the 1.3% Utility Cost Allowance (UCA) to apply for the adjustment
 - Will allow UC Davis to increase F&A rate in the next negotiation
- Allows for a one-time extension for up to 4 years
- Recharge rates
 - Biannual reconciliations and rate adjustments changed from “should” to “shall”

Effort Reporting

- UG removes highly prescriptive requirements from A-21
- Emphasis on internal control
- Current Effort Reporting System satisfies requirement, but now have flexibility to adopt other methods

Next Steps

- Make sure to communicate changes with your school, college or unit
 - This presentation and supporting materials are available at uniform-guidance.ucdavis.edu
 - You may request to have a representative attend your meeting to present the material
- Updates to the implementation plan will be distributed as additional information becomes available
- An update to the Guide for Research Compliance will be released this month.

Visit uniform-guidance.ucdavis.edu for updates and support materials

Questions?

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