Financial Services Updates
Research Study Participant Payment Policy and Procedures

- Departments who have made these payments were contacted in January prior to policy going into effect 2/1/14
- Two training sessions were held in January
- Another is scheduled for Thursday, March 27th from 2:30-4 in the SOD- register on CITS training webpage
SPP P&P

- FAQs have been developed based on questions
- For PIs or other personnel who are involved with SPPs but could not attend sessions, the presentations are on the FS website
Food and Business Meal Expense Policy & Procedures

• Revision of A&F policy - now official “UMB” policy
  – Section VIII - 99.00 (A) Food and Business Meals Expense

• Updated procedures on FS website
  – Financial Services Standard Operating Procedure No. 3332- Food and Business Meals Expense

• Presentation to FBO group

• Make sure your faculty and other decision makers are aware of the policy
UMB Foundation Deposits

• Working with UMBF to prevent deposits to grant projects
  – Expenses that are charged to a grant that are unallowable to the sponsor should be charged to another unrestricted project and funded with UMBF deposits

• Now in process of cleaning up existing deposits that were made to grants
FY14 Merit Pay

• Meeting for PR Reps/Administrators on Wednesday, March 26th at 10AM in SON

  – One pay period later than other retros due to upgrade

• EFPs for Over the Salary Cap adjustments should be processed then
Fiscal Year End

• FY14 year end memo will be posted and distributed next week

• Focus for end of year procurements is generally on the state appropriated projects
  – If you have a grant ending in May or June and need to have PO processed in the April- June timeframe you must indicate the deadline in the requisition
SPAC Personnel Changes

• Costing and Compliance Staff
  – Tong Li
• Team White Staff
  – Christine Elliott
• Team Red Staff
  – Tina Zhu
• Collections and Central Manager
  – Kathleen Wiess
• Director
  – Laura Scarantino
A-81 – Uniform Guidance

• What is it?
  – Consolidation of the following OMB circulars
    • A-102 - Grants and Cooperative Agreements With State and Local Governments
    • A-110 - Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations
    • A-89 - Catalog of Federal Domestic Assistance
    • A-87 - Cost Principles for State, Local and Indian Tribal Governments
    • A-122 - Cost Principles for Non-Profit Organizations
    • A-133 - Audits of States, Local Governments and Non-Profit Organizations
    • A-21 - Cost Principles for Educational Institutions
    • A-50 – Audit Follow-up
A-81 – Uniform Guidance

• How did we get here?
  – Office of Management and Budget (OMB) published two rounds of preliminary guidance that were open for comments
  – Final Guidance was published December 26, 2013
A-81 – Uniform Guidance

• When is it effective?
  – Awards issued after December 26, 2014 will include new terms and conditions that reflect the Uniform Guidance
A-81 – Uniform Guidance

• What are the next steps for the federal government?
  – Each agency will need to revise their regulations to conform with the Uniform Guidance
    • Due by June 26, 2014 to OMB
    • OMB will review and approve
    • Some agencies may publish their regulations for public comment in the Federal Register
  – OMB will continue to issue Frequently Asked Questions to clarify
A-81 – Uniform Guidance

• What are the next steps for UMB?
  – Formation of an oversight committee and several working committees
    • Interpret for UMB and monitor interpretations of others (audit community, other universities, federal agencies)
    • Identify and implement necessary policy/procedure changes
    • Identify and implement necessary system changes
    • Develop training
A-81 – Highlights for Departments

• Direct Charging to Awards - Administrative and Clerical Salaries

“The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are integral to a project or activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
4. The costs are not also recovered as indirect costs.”
A-81 – Highlights for Departments

• Direct Charging to Awards - Administrative and Clerical Salaries
  – Like all direct costs still must be reasonable, allocable, consistent, and allowable
    • Must document “unlike circumstance”
    • Must document “allocability”
      – Effort Forms
    • Most have prior approval or be explicitly in the budget to be allowable
  – Language about “major programs” is eliminated
A-81 – Highlights for Departments

• Direct Charging to Awards – Computing Devices
  – “Supplies means all tangible personal property other than those described in § 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or $5,000, regardless of the length of its useful life.”
  – “In the specific case of computing devices, charging as direct costs is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award.”
A-81 – Highlights for Departments

• Direct Charging to Awards – Child care costs incurred while traveling
  – Allowable if the institution’s policies consistently allow for it across all funding sources
• Direct Charging to Awards – VAT taxes
  – Now explicitly allowable
• Direct Charging to Awards – Short-term travel visas
  – Generally allowable
A-81 – Highlights for Departments

• F&A Application
  – Requires that all federal agencies and pass through entities honor our F&A rate agreement unless
    • prohibited by law or
    • approved by the agency head and disclosed to OMB
  – Participant support costs are now officially excluded from MTDC
    • “Participant support costs means direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects.”
    • This is NOT clinical trial participant payments
A-81 – Highlights for Departments

• Subawarding to other institutions
  – Establishment of an automatic 10% F&A rate for entities without a negotiated rate agreement
  – More prescriptive assessment and monitoring of subrecipients
  – Limitations on fixed price subawards
    • Non greater than $150,000
    • All require prior approval
A-81 – Highlights for Departments

• Compensation (i.e. effort reporting)
  – Section significantly reworked
  – Specific examples removed
    • Should give more flexibility as to the how we document salary allocations
    • Our current process will still suffice
    • Still requires an after the fact verification of salary charges
  – Concept of Institutional Base Salary now included
    • Previously was an NIH term
A-81 – Highlights for Departments

• Procurement standards
  – This is really an area that will need some study and clarification
  – 5 prescribed methodologies of procuring items
  – New concept of a micro purchase (purchases between $3,000 and $5,000) requiring competition
A-81 – Highlights for Departments

• Submitting Proposals
  – Standard format and posting period for funding announcements
  – Cost sharing should not be used as a criteria
Costing & Compliance Updates

• New Salary Cap
  – $181,500,
  – effective 1/12/2014
  – No additional budget

• ERS access change – applies to Affiliates only (DCs and SubDCs be aware!)

• Direct Retros “on hold” emails
New Salary Cap

• Stays at Executive Level II
• Executive Level II increased
  – From $179,700
  – To $181,500
• Effective 1/12/2014
New Salary Cap

• You CAN rebudget dollars
• But no additional budget provided

• If you transfer wages beg. 1/12/2014
  – PP14-16, 1/12/14 – 1/25/14 included retro COLA for 1/1/14 – 1/11/14
  – BR effective 1/12/14 will not affect retro COLA
  – DR for PP14-16 may affect retro COLA
Effort System Access – NEW!

• Applies ONLY TO AFFILIATES
  – But DCs and SubDCs need to be aware!

• Access requirement change going forward

• Access between now & Monday 3/17 for current affiliates with roles in Effort
Effort System Access—Affiliates Only

• Result of new Community system and HRMS upgrade

• Effective 3/14/14 HRMS access is required for access to Effort system — FOR AFFILIATES ONLY

• HRMS access request to be made through Community system
Effort System Access – through 3/17

• Applies ONLY TO AFFILIATES
• No access this weekend!
• No access Monday UNTIL -
  – Linda Ward emails Affiliates, DCs & SubDCs that security migration is complete
• Affiliates: contact Linda Ward if your first access in the Effort system on Monday is not what you expect
Direct Retro communications

• Friday afternoons (on DR/EFP deadline days)
• Costing & Compliance will email the preparer
• All Direct Retros currently on hold
  – BR/DR pending
  – Cost Audit