

# UNIFORM GUIDANCE

## IMPLEMENTATION PRACTICES

as of November 11, 2014

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The Office of Contracts and Grants has thoroughly reviewed the new Uniform Guidance (UG) and has provided the following overview of implementation practices affected by the new UG to date. The review and discussion of the Uniform Guidance changes is ongoing with additional policy and procedure modifications to come.

### Effective Dates and Applications

**FAQs: Question .11-4** Proposals submitted prior to 12/26/14 for awards that will be made after 12/26/14 should be developed in accordance with the UG.

Beginning 11/11/14, OCG will budget proposals developed in accordance with the UG wherever possible.

Awards referen cing 2 CFR 200 (Uniform Guidance) will be managed according to the UG. Therefore, the management of existing awards could be changed by means of an official modification from the sponsoring federal agency.

The Office of Management and Budget's official Frequently Asked Questions document can be accessed at <https://cfo.gov/wp-content/uploads/2014/08/2014-08-29-Frequently-Asked-Questions.pdf>

### Summary of the changes affecting proposals and award management

#### Computers – Charge as supply (if under \$5,000)

**§ 200.94** 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.

**§ 200.453** Computers are allowable as a direct cost to the sponsored project, provided that they are essential and allocable, but not solely dedicated, to the project. These computers and computing devices should be detailed in the proposed budget and budget justification that were approved by the sponsor.

#### Equipment – Conditional title to University

**§ 200.313** Permanent equipment should be detailed in the proposed budget and budget justification that were approved by the sponsor. The Federal awarding agency may choose to give the University conditional title to permanent equipment, which will require the University to take additional measures prior to purchasing and disposing of permanent equipment. At the end of the project, the University may need to reimburse or return permanent equipment that is not available for use on another Federal award.

**Administrative salaries – may be charged as direct costs**

**§ 200.413 (c)** 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.

**Entertainment costs**

**§ 200.438** Costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.

**Participant support – exclude from IDC for all agencies (follows NSF)**

**§ 200.68** MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward and subcontract in excess of \$25,000.

**§ 200.75** 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.

**10% MTDC de minimis rate**

**§ 200.414** In addition to the procedures outlined in the appendices in paragraph (e) of this section, any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph (d)(1)(B) may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. As described in § 200.403 Factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both.

**Reduced F&A is only allowed if it's legislatively mandated**

UG requires Federal agencies to accept negotiated indirect cost rates unless an exception is required by statute or regulation, or approved by a Federal awarding agency head or delegate based on publicly documented justification

**Closeout Procedures**

**§ 200.343** The (University of Colorado) must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by or the terms and conditions of the Federal award. (Failure to submit these reports in a timely matter will place the University at risk of future funding.)

## Compensation for Personal Services

**§ 200.430 Section (h)(9)** of the new Circular adds language outlining standards required for documenting personnel expenses charged to Federal awards. In particular, section (h)(9)(vii) states records must: “Support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.”

## Agency Specific Updates Based on the new Uniform Guidance, 2 CFR 200

### National Institute of Health (NIH)

Effective November 25, 2014, NIH released updated SF424 guides (general, fellowship, SBIR/STTR), along with supplemental instructions in accordance with the new Uniform Guidance, 2 CFR 200.

NIH SF424 guides are available at <http://grants.nih.gov/grants/funding/424/index.htm>. All of the changes to the SF424 guide are shaded in purple within the respective PDFs. They clarify and incorporate definitions from the UG. A synopsis of changes incorporated per the UG include:

- NIH notices released since the guides were last updated have been incorporated. These include a new bio sketch format with links to templates, Commons ID requirement for students and postdocs on RPPRs, updated resubmission policy, and sponsor eRA Commons Role requirement for mentors on fellowships.
- Additional instructions are now available on how to include administrative staff salaries within a budget. Supplemental instructions also incorporate: definitions of MTDC, participant support, and indirect costs per UG.
- The term “Other Significant Contributors (OSCs)” has been clarified.
- The submitting party is reminded not to use ampersands in document file names.
- If the proposal includes a video it must be noted in the cover letter.
- New information about PHS Additional Indirect Costs form for ASSIST proposals is included.
- The supplemental instructions incorporate many UG definitions.

## National Science Foundation (NSF)

NSF released an updated Proposal and Award Policies and Procedures Guide (PAPPG), which applies to proposals due on or after December 26, 2014 unless a solicitation states otherwise.

NSF 15-1 PAPPG is available at

<http://www.nsf.gov/pubs/policydocs/pappguide/nsf15001/sigchanges.jsp>.

The Grant Proposal Guide (GPG) includes many changes that affect NSF proposals:

### Project Description

- The submitting party is now required to name the Broader Impacts section, “Broader Impacts of the Proposed Work.”
- URLs are not allowed.
- The Prior NSF Support section of the Project Description must contain complete bibliographic citations for publications resulting from the NSF award.

### Biographical sketches

- “Location” is now required in the Professional Preparation section.
- Synergistic activities are limited to only five (5) activities.
- Add “total number” of Collaborators/Co-authors, Co-editors, Graduate Advisors and Postdoctoral Sponsors.

### Budget and budget justification

- The GPG has been updated to reflect UG on administrative and clerical salaries, computers, participant support, and a minimum 10% IDC rate for foreign subcontracts without a negotiated rate.
- It specifies that waived indirect cost equal cost share, and is not allowed.
- Three (3) additional pages for budget justifications per subcontract are allowed.
- It requires travel documentation, including itemization of costs, plus justification of destination and associated cost.

“**Letters of commitment**” have been renamed “letters of collaboration” and are limited to stating intent to collaborate. They should not contain endorsements or evaluation of project.

A description of NSF’s **risk management framework** is included.

There are new **special Exceptions to NSF’s Deadline Date Policy**, including inclement weather.

**Domestic travel** is redefined to include travel within and between the U.S., its territories and possessions. It no longer includes Canada and Mexico.