

CUNY Uniform Guidance Reference for Principal Investigators

On December 26, 2013, the Office of Management and Budget (OMB) issued the “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards”. It applies to all new **federal awards issued on or after December 26, 2014**. Modifications adding new funding to awards issued prior to that date may also include a clause updating the terms of the award to fall under the Guidance. This Guide highlights the areas impacted by the Uniform Guidance across the sponsored project lifecycle.

Cost sharing

2 CFR 200.306

Cost sharing or matching is the portion of project costs not paid by Federal funds. Under the new regulations contained in the Uniform Guidance, **voluntary cost sharing is not expected and it cannot be used as a factor during the merit review of proposals.**

- Voluntary cost sharing has been used in some situations to make a proposal appear more competitive to a Federal agency. This practice is no longer allowed.
- Funding proposals should not contain formal cost sharing commitments unless cost sharing is required (mandatory) by the sponsoring agency, and is stated as an eligibility criterion for the funding program.
- In cases when a commitment of institutional resources is strongly encouraged by the sponsoring agency in the official notice of funding opportunity, any cost sharing must be approved by the Vice Chancellor for Research prior to the proposal submission.

See RF Policy No. 545 on Cost Sharing:

<https://www.rfcuny.org/RFWebsite/learning-resources/review-policies-procedures/cost-sharing/>

PI Disengagement

2 CFR 200.308

The Uniform Guidance recognizes that PIs can be engaged in projects **even if not physically on-campus**. Prior approval from federal awarding agencies must be obtained for the following program or budget related reasons:

- Change in scope or objective of the project or change in a key person identified in the grant application.
- Disengagement from any project for more than 3 months or if there is a 25% reduction in committed time from the approved budget.

If a PI is actively engaged in a project, even if offsite, such approval is not required.

Procurement

2 CFR 200.317 + 326 (in effect beginning FY 2019)

The Uniform Guidance provides specific instructions detailing the procedures research institutions must follow to procure goods and services. The new language focuses on the competitive selection of vendors and was chosen to mitigate the risk of waste, fraud, and abuse. This includes stricter requirements for sole source purchases.

Section 200.320 describes the five methods of procurement:

Micro purchases:

- Purchases that do not exceed \$10,000 (threshold update per OMB M-18-18)
- Competition not required but price reasonableness must be demonstrated
- Must be distributed equitably among qualified suppliers

Small purchases:

- Purchases between \$10,000 and \$249,999.
- Price and rate quotes must be obtained from an adequate number of qualified sources (at least 2).

Purchases greater than the simplified acquisition threshold of \$250,000:

- Cost and price analysis must be performed for every procurement arrangement including contract modifications.
- Requires bids from an adequate number of qualified sources with documented specifications, evaluation criteria and independent cost estimate.

Sole Source: Procurement by noncompetitive proposals (sole source) is procurement through solicitations from only one source and may be used only when one or more of the following circumstances apply:

- The item is only available from a single source.
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals or after the solicitation of a number of sources, competition is determined to be inadequate.

Subrecipient Monitoring**2 CFR 200.330 and 200.331**

Increased scrutiny for monitoring subrecipients is contained in the Guidance (sections 200.330 & 200.331).

As has long been the case, the PI is responsible for monitoring all subrecipients. This requires:

- Review of subrecipients' progress reports.
- Review of subrecipients' expenditures to ensure they are reasonable, allowable and allocable.
- Corrective action and notification to Grants Officers and the RF if a subrecipient is not performing.

Charging Administrative and Clerical Staff Salary Costs**2 CFR 200.413**

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.
- (4) The costs are not also recovered as indirect costs.

Impact: If administrative or clerical services are deemed essential and integral to the project or activity, the Principal Investigator must provide a detailed justification of this need in the proposal budget justification. If a proposal is submitted with the required justification outlined above, and the subsequent Notice of Grant Award issued by the Federal agency does not explicitly disallow the administrative cost, the administrative and clerical costs will be considered approved.

On See RF Policy No. 202 Administrative and Clerical Salaries:

<https://www.rfcuny.org/RfWebsite/learning-resources/review-policies-procedures/administrative-and-clerical-salaries/>

Computing Devices
2 CFR 200.94 and 200.453

Computing devices costing less than \$5,000 may be charged as a direct cost to Federally sponsored awards to the extent the devices are *essential, allocable, allowable, and directly benefit the project even if they are not solely dedicated*, to the performance of the federal award.

Essential: The project's objectives cannot be completed without the computing device.

Allocable: All or a portion of the device's use is for the sponsored project and the project's portion of the use can be reasonably estimated.

Allowable: The terms of the award and/or the sponsor's policies permit purchasing the device. Computing devices under \$5,000 per unit may be direct charged to a project or activity under the following circumstances:

- The devices are essential and allocable to the project in that they are necessary to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information.
- The PI does not have access to other devices or equipment that can achieve the same purpose; devices may not be purchased for reasons of convenience or preference.
- Items costing \$5,000 or more per unit are considered equipment and follow Federal equipment rules for when they can be charged as a direct expense.

As is the case with capitalized equipment, there will be a restriction on purchasing computing devices within the last 90 days of an award.

Closeout
2 CFR 200.343

All reports related to a federal award are due no later than 60 calendar days after the end date of the period of performance to the RF in order to ensure proper filing. This includes all technical, financial (including subaward) reports and invoices for payments. Federal agencies indicate that they will not allow cash draws on awards after 90 days, except in exceptional cases, as approved by the agency.