

**OMB Uniform Guidance: Selected Observations for the Post-Award
Administrator**
Partner Case Studies

- 1) **Case study:** Professor Well-Funded has a DOD project entitled “Innovative Skin Grafting Materials”. He also has an NIH funded project “Use of shark cartilage in skin grafts”. You receive a cost transfer moving Fisher Scientific Supplies from the DOD project to the NIH project. The costs hit the project 95 days prior. The justification entered was “Transferring costs to NIH project; delay due to oversight.” You notice the DOD project is almost spent out, but the NIH project hardly has any expenses. Do you as the sponsored programs approver have different thoughts about the approval of the cost transfer using either the old or new guidelines?

Old A-21, C.4. b. Any costs allocable to a particular sponsored agreement under the standards provided in this Circular may not be **shifted** to other sponsored agreements in order to meet **deficiencies caused by overruns or other fund considerations**, to avoid restrictions imposed by law or by terms of the sponsored agreement, or for other reasons **of convenience**.

New § 200.405(c) Any cost allocable to a particular Federal award under the principles provided for in this Part may not be **charged** to other Federal awards to overcome **fund deficiencies**, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. **However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.**

New § 200.451 ...any excess of costs over authorized funding levels transferred from any award or contract to another award or contract is unallowable.

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- 2) **Case Study:** You have a research training grant with out of town high school students to get them interested in pursuing science research paths. In your proposal, you explain how when the students aren't working on their research projects, in the evenings and weekends, you will have planned activities for the students such as movies, canoeing, etc. Some of these costs are built into your approved budget and budget justification. Helping the students to have an overall positive experience is one of the aims of your grant. How does the difference between the old and new guidelines affect this situation?

Old A-21, J.17. “Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (**such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities**) are unallowable.”

New § 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.**”

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- 3) **Case study:** You as a sponsored programs administrator receive a computer purchase request on an NSF project. You send it back to the department asking if it will be used specifically for this project and what they will be using the laptop for. They send back the request with notes saying that it will be used 95% for the project. They will be doing anthropological research in Mexico and need the computer to take notes on the interviews with the local peoples as they are performing them. You see this is the professor's only open project. Do your actions change between using the old and new guidelines?

Old A-21, C.4.a.(1) “...a cost is allocable to a sponsored agreement if (1) it is incurred **solely to advance the work** under the sponsored agreement;...”

Old A-21, J.31.c. “**Only** materials and supplies **actually** used for the performance of a sponsored agreement may be charged as direct costs.”

New § 200.405 “A cost is allocable to a particular Federal award...if the cost: (1) Is incurred **specifically** for the Federal award;...”

New § 200.453(c) “Materials and supplies used for the performance of a Federal award may be charged as direct costs. **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.**”

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- 4) **Case study:** As the sponsored project administrator, you get a travel reimbursement request from Professor Smith. Your university travel policy has a meals reimbursement limit of \$50 per day. According to travel policy, exceptions to the policy are allowed on a case by case basis with approval from the Dean. On one of the travel days, the Professor spent \$175 total on meals. One meal alone was \$100 at an expensive restaurant. The Dean has signed off on it. Does your decision about approving the cost change between the old and new guidelines?

Old A-21, C.3. "...Major considerations involved in the determination of the reasonableness of a cost are: ... (d) the extent to which the actions taken with respect to the incurrence of the cost are consistent with established institutional policies and practices applicable to the work of the institution generally, including sponsored agreements."

New § 200.404 "...In determining reasonableness of a given cost, consideration must be given to: ... (e) Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, **which may unjustifiably increase the Federal award's cost.**"

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- 5) **Case Study:** You have a meeting once a year on how to responsibly care for water resources in Volusia County. Representatives from various entities attend the meeting each year including people from local universities, non-profits institutions, local government, state government, and various federal agencies; it is important to get all the key players together. The award is sponsored by the Florida Department of Environmental Protection with pass through federal funds. In the proposal, it is disclosed that there will be federal attendees. How does the below addition in the federal guidelines affect your decision in the allowability of the federal employee's travel reimbursement?

New § 200.474(a) ... "Notwithstanding the provisions of § 200.444 General costs of government, travel costs of officials covered by that section are allowable with the prior written approval of the Federal awarding agency or pass-through entity when they are specifically related to the Federal award."

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Resources

2 CFR Part 200 (New OMB Uniform Guidance)

http://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

COFAR October 2014: Uniform Guidance Implementation: A Series of Dialogues Webinar

<http://youtu.be/R9jUkr49I5A>

Other Webinars and Materials on the COFAR website:

<https://cfo.gov/COFAR/>

Maximus Webinars on OMB Uniform Guidance:

<http://www.maximus.com/higher-education/webinars>

NCURA TV Youtube Channel (Includes Short Video Excerpts from the May 14, 2014 NCURA Webcast)

<http://www.youtube.com/user/NCURA1959/videos>