



FAQ'S FOR UNIFORM GUIDANCE

As Uniform Guidance (UG) and its implications continue to be defined, the Fred Hutch UG Team will release a series of Frequently Asked Questions (FAQs) to clarify current standings.

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APPLICABILITY

UG § 200.101	<p>1) How will I know when Uniform Guidance (UG) applies to my Award?</p> <p>The UG went into effect on December 26, 2014. All new and competing renewal awards for all Federal Agencies received after December 26, 2014 will be subject to the UG. In addition, and at the discretion of a funding agency, incremental funding awards (may include non-competing continuations, supplements, incremental funding with an increase in award amount of any kind) may also be subject to UG, and the Notice of Award should indicate so. This approach also applies to incoming Subawards under these awards. Agency-specific variances in this area for NIH, NSF and Department of Defense (DoD) are provided below. In addition, and for your convenience, if the Award is subject to UG, the Award Activation Email will include the following language and resource link: "Award Subject to Uniform Guidance http://www.fredhutch.org/en/labs/uniform-guidance.html"</p> <p>For NIH and NSF:</p> <p>For noncompeting segments of awards, UG will apply to all noncompeting or incremental actions that provide funding (i.e., any actions that provide award dollars, including noncompeting continuations, incremental funding, and Continuing Resolution funding increments). UG will not apply to all other non-monetary actions (including carry-forward approvals, no-cost extensions, other Agency approvals, etc.).</p> <ul style="list-style-type: none"> • NIH Awards will include the following Code of Federal Regulations (CFR) references in section III Terms and Conditions of the Notice of Award: <ul style="list-style-type: none"> ✓ If subject to UG: 45 CFR Part 75 which is the appropriate CFR which implements the UG under DHHS, but may not include any other language referencing UG ✓ If NOT subject to UG: as applicable 45 CFR Part 74 or 45 CFR Part 92 (Part 74 applies to the Hutch) • NSF Awards will include the following language or similar language: <ul style="list-style-type: none"> ✓ If subject to UG: "This award is subject to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). NSF's implementation of the Uniform Guidance is contained in the Grant Conditions (GC-1) referenced in this award dated December 26, 2014, available at http://www.nsf.gov/awards/managing/general_conditions.jsp" <p>For DOD:</p> <p>DOD will only be applying UG to new and renewal awards. For noncompeting segments of awards, regardless of funding UG will NOT apply. Please see Federal agency specific guidance for additional information regarding award terms and conditions.</p>
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	<p>For Incoming Subawards: Subawards coming in to the Hutch from other entities can vary greatly in both format and content of the award document or agreement. All Prime recipients of awards subject to UG are required to flow down the appropriate requirements and are required to identify whether the Subaward is subject to UG or not. OSR will flag incoming Subawards and communicate this information consistent with the first paragraph of this section.</p> <p>If you are unclear as to whether your award is subject to UG, please contact your OSR Specialist.</p> <p>2) Will the FMS PeopleSoft queries that I use to manage my awards indicate whether my award is subject to UG, and if so, how can I tell?</p> <p>The FMS PeopleSoft system has been updated to reflect whether an award is subject to UG, regardless of when the award becomes subject, e.g., new competing cycle or incremental funding cycle. The following public queries have been updated with the UG flag:</p> <ul style="list-style-type: none"> • FMS_FUNDING_BY_PI_ALL_BP • FMS_FUNDING_BY_PI_CUR_BP • FMS_FUNDING_FOR_ALL_BP • FMS_FUNDING_FOR_CUR_BP <p>These public queries are available on the FMS page at: http://centernet.fhcr.org/CN/depts/fms/query/master_query_list.html.</p>
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COMPENSATION – PERSONAL SERVICES

<p>UG §200.430</p>	<p>3) Will the Effort Reporting system at the Hutch be changing based on new language in the UG?</p> <p>The new language in UG §200.430(i) shifts the emphasis of documenting salary charges to federal awards (currently accomplished through monthly effort reporting) to a system based upon strong internal controls. The language appears to provide for the opportunity to utilize existing institutional payroll systems to confirm payroll charges to federal awards. Clarification is still needed from Federal Agencies regarding the requirements for an auditable “system of internal control which provides reasonable assurance.” The effort reporting system at the Hutch is currently in compliance with the new UG requirements. Therefore, prior to modifying any current Hutch effort reporting practices, further analysis must be done to assess the expectations related to these new requirements and associated internal controls and documentation to ensure that any changes that may be considered comply with the new requirements.</p>
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DIRECT CHARGING ADMINISTRATIVE/CLERICAL SALARIES

<p>UG §§: 200.413 and 200.430</p>	<p>4) How do I justify Administrative and/or Clerical support on a grant application and does this mean that I can charge Administrative/Clerical support on <u>any</u> grant so long as I have the specific justification?</p> <p>As indicated in the Fred Hutch Volume 1 UG Quick Guide issued in October 2014, administrative and clerical salaries may only be charged to a Federal award when <u>all</u> of the the following criteria are met:</p> <ol style="list-style-type: none"> 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 (<i>currently known as F&A</i>).
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	<p>If all of these requirements are met, PI's/Departments should add to new proposals a new justification statement that references the new UG requirements and outlines specifics of the position in sufficient detail. In order to facilitate securing such approval, the following sample justification may be used:</p> <p><u>Sample Justification</u></p> <p>"This award includes management of XX subawards. This volume and the tight timeline of the project mandate more extensive monitoring than the services routinely provided by the department. A XX% time program assistant is needed to oversee the subrecipients' activities, including working with Fred Hutchinson Cancer Research Center to perform risk assessment and subrecipient monitoring, ensuring timely delivery and review of invoices, acquiring progress reports and ensuring their review, resolving mid-project issues, monitoring compliance approvals, ensuring timely payments, and handling subaward modifications. We are therefore requesting agency approval for a [List % time appointment here] [List position title here] as an administrative cost allowed under 2 CFR 200.413."</p> <p>*Fred Hutch has determined that integral means that the services are essential, vital, or fundamental to the project or activity.</p> <p>Once approved by the Agency, either via a Notice of Award which includes such approval, or in response to a Prior Approval Request, the salary may then be charged to the award.</p> <p><u>Programmatic Salary Costs**</u></p> <p>Costs related to protocol development and maintenance, managing substances/chemicals, managing and securing project-specific data, and coordination of research subjects are allowable direct costs when they are "contributing and directly related to work under an agreement." Thus, these programmatic costs may be direct charged using the same underlying requirements as other types of direct costs, and are not subject to the extra approval requirements required of administrative and clerical costs. They are still subject to all regular costing requirements (e.g., allocability, reasonableness, allowable by terms of the award, incurred within award period).</p> <p>**This information previously provided in UG Quick Guide Volume 1, dated 10/28/14.</p> <p>5) <i>Now that the guidance has stated Administrative/Clerical salaries are allowable under certain circumstances, must I begin to direct charge <u>all</u> Administrative/Clerical salaries to my awards?</i></p> <p>No. In general Administrative/Clerical salaries should not typically be direct charged to a Federal award unless they meet <u>all</u> of the criteria identified in FAQ #4 above.</p> <p>6) <i>Can I charge Administrative and/or Clerical salaries to an <u>existing</u> award?</i></p> <p>The UG does not retroactively impact awards prior to December 26, 2014, so if you were already charging appropriately approved Administrative/Clerical salaries to an award you may continue to do so. If the award is subject to UG, or if a new incremental funding action implements UG on an existing award, then the Administrative/Clerical salaries for that new UG portion of the award now subject to UG, must have been clearly justified in the proposal and approved in the award, otherwise prior approval is required prior to charging those salaries to the award.</p>
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F&A ON SUBAWARDS

UG §200.331

7) Now that 10% is the de minimis F&A rate for subawards, should I begin budgeting 10% F&A for foreign subawards on NIH awards rather than 8%?

Under UG, the 10% *de minimis* rate applies when:

- a) The subrecipient entity does not have a federally negotiated F&A rate,
- b) The subrecipient entity does not have a negotiated rate with the Prime recipient, **and**
- c) The federal program under which the subaward is being issued does not have a published statutory F&A rate for subawards.

For foreign subawards, NIH will continue to utilize the statutory 8% rate that is currently reflected in the Grants Policy Statement (GPS). NSF has updated their terms and conditions to reflect the use of the 10% *de minimis* rate in accordance with the UG to replace their previous rate of 0% for foreign subawards. Updated Research Terms and Conditions will reflect these changes for participating Federal agencies. Additional agency-specific Federal guidance on this topic is anticipated.

For Federal proposals submitted to agencies other than NIH and NSF, until further agency clarification is provided, OSR recommends that the 10% F&A rate be used in budgeting for all subaward entity types that do not have a federally negotiated F&A rate.

8) For existing Fred Hutch Prime awards that include outgoing subawards with an F&A rate that is less than the 10% de minimis rate, will the Hutch begin awarding the 10% F&A on those subawards, and if so, will my existing award need to absorb this increase?

The new *de minimis* rate for subawards that do not have a federally negotiated rate only applies to UG awards. Once a UG Prime award is received or a competing/noncompeting funding action is received that implements the UG, only then will the *de minimis* rate requirement be applicable for those subawards that meet all of the criteria listed in FAQ #7 above. If UG is implemented for an existing Prime award under which a subaward is issued with a rate less than 10% and meets the identified criteria, then the 10% F&A rate will be utilized for that subaward’s next applicable increment of funding. The PI may consider the following options in this circumstance:

- a) Rebudget to accommodate the increased amount, or
- b) Negotiate a change in budget with the Subrecipient

Please see the Federal agency-specific guidance for detail or consult your OSR Specialist for additional assistance.

PROCUREMENT

UG §200.110(a)

9) Does the implementation of UG impact purchasing or procurement processes?

2 CFR §200.110(a) provides the option of deferring the changes to the procurement standards for one year. Fred Hutch will exercise this option and continue to comply with the procurement standards contained in OMB Circular No. A-122.



TRAINING AND INFORMATION FOR MANAGING FRED HUTCH UG AWARDS

10) *Where can I get more information about how to manage new awards under the UG?*

The UG implementation project at the Hutch is fully underway and will continue to be an iterative project moving forward. The Hutch UG Steering Committee (UGSC) and UG Working Groups will continue to engage stakeholders in providing feedback and to update the Hutch community with relevant information as it becomes available both via email as appropriate and via the Hutch UG Website at <http://www.fredhutch.org/en/labs/uniform-guidance.html>. UG trainings, Quick Guides, and FAQ's will continue to be shared to facilitate communication and transition into managing proposals and awards under UG. Consider the Hutch UG Website to be the central resource for UG information and resources.

OSR will continue to host UG implementation sessions for the Hutch community to provide updates on implementation progress and impact at the Hutch. All Research Administration Training (RAT) materials and information will be updated as relevant information and affected processes, procedures and policies may change to comply with UG.