ETHICS & PROFESSIONALISM
Promotes objectivity in research by establishing standards to ensure there is no reasonable expectation that the design, conduct or reporting of research funded under federal grants, cooperative agreements or contracts will be biased by any conflicting financial interest of an Investigator.
New Policy implementation deadline was August 24, 2012

All “Investigators” whether named PI/PDs or not are required to submit disclosures of Significant Financial Interests (and have reviewed and approved) PRIOR to the submission of the proposal

New definition of Investigator – Investigator means the project director or principal investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research funded by the PHS (e.g., NIH), or proposed for such funding, which may include, for example, collaborators or consultants.
- de minimus threshold is $5000.
- Travel reimbursement related to institutional responsibilities must be disclosed, unless the other party is a federal, state, or local government agency; an institution of higher education; an academic teaching hospital; or a research institute affiliated with an institution of higher education.
- Required training – prior to engaging in research related PHS-funded grant or contract; at least every four years
- FDP Institutional Clearinghouse: http://nrc59.nas.edu/pub/fcoi_home.html
LEGAL REQUIREMENTS AND SPONSOR INTERFACE
CODE OF FEDERAL REGULATIONS (CFR)

https://ecfr.gpoaccess.gov

- OMB Circulars - Title 2
- Federal Acquisitions Regulations (FAR) - Title 48
  - Includes agency specific procurement regulations
- CASB (Cost Accounting Standards Board)
- Agency specific guidelines
- Also includes various regulations (i.e. Title 37 Patents, Trademarks, and Copyrights)
# OMB CIRCULARS

## WHAT ARE THE REGULATIONS & HOW DO THEY APPLY?

- **Code of Federal Regulations (CFR)**
  - **Office of Management and Budget (OMB) Circulars (CFR Title 2)**

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OMB CIRCULARS

OMB Circulars Applicable to Grants, Cooperative Agreements and Contracts:
- A-21: Cost Principles for Educational Institutions
- A-133: Audits of State, Local Governments and Non-Profit Organizations

OMB Circulars Applicable to Grants and Cooperative Agreements ONLY:
Establishes allowable costs:

- **Reasonable**: Amount of nature and expense what a prudent person would have done in the same circumstances
- **Allocable**: Chargeable in accordance with relative benefits received
- **Consistently treated**: Costs incurred for the same purpose, in like circumstances, are either direct costs only or F&A costs only

- Section J. defines allowable and unallowable costs
- Section E-I defines methods of F&A cost rate identification and calculation
OMB CIRCULARS

OMB CIRCULAR A-21

- Direct vs. Indirect Costs
- F&A Cost Proposal
- F&A Bases (MTDC, S&W)
- Time and Effort
Costs must be treated in a consistent manner for all sponsored projects (federal and nonfederal)
Amounts budgeted in proposal should correspond to actual expenses incurred for the project
Administrative costs cannot be charged directly to a sponsored project
Must disclose cost accounting practices by filing a Disclosure Statement (DS-2), if institution awarded $25 million or more in a fiscal year.
OMB CIRCULARS

OMB CIRCULAR A-110

- Uniform Administrative Requirements for Grants and Other Agreements
- Sets the maximum the government can require and the minimum the institution must do
- Addresses:
  - Allowable cost sharing
  - Post-Award budget management
  - Standards for consistency in audits of organizations spending federal awards
  - Certifications and representations
  - Subaward flowdown
  - Program income
  - SF424, SF270, SF271
  - EO 12372
Expanded Authorities

Allow institutional approval of:

- 90 days pre-award costs
- One-time 12 month no-cost extension
- Carry forward of unobligated balances
- Transfer between F&A and direct costs
- Transfer training expenses to other budget lines
- Budget revisions unless it constitutes a change in scope (i.e. > 25% for NIH)

Subpart B. Pre-Award Requirements

Subpart C. Post-Award Requirements
OMB CIRCULARS

OMB CIRCULAR A-110

- Federal Wide Standard Terms and Conditions for Research Grants:

- Agency Specific T&C Implementations:
OMB CIRCULARS

OMB CIRCULAR A-133

- OMB A-133 Audits of States, Local Governments, and Non-Profit Organizations
  - Defines the requirements of an audit and explains the responsibilities of the institution, the agency and the auditor
  - Applies to non-federal entities that expend $500,000 annually
  - Applies to pass-through funds

- [http://www.whitehouse.gov/omb/circulars/index.html](http://www.whitehouse.gov/omb/circulars/index.html)
OMB CIRCULARS

COMING SOON TO A THEATRE NEAR YOU ..

UNIFORM GUIDANCE (Super Circular; Omni Circular; A-81)

Streamlines the language from eight existing OMB circulars into one document (including OMB Circulars A-21, A-110, A-133).

- Subchapter A – General Provisions
- Subchapter B – Pre-Award Requirements
- Subchapter C – Federal Award Notice
- Subchapter D – Inclusion of Terms and Conditions
- Subchapter E – Post Federal Award Requirements
- Subchapter F – Cost Principals
- Subchapter G – Audit Requirements
- Subchapter H – Appendices

Implementation Date – December 26, 2014