

Federal Uniform Guidance Overview: Postaward

for UC Berkeley Principal Investigators (Effective Date 12/26/14)

| IN THE PAST | UNDER THE NEW GUIDANCE | WHAT DOES THIS MEAN? |
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| Subrecipients were required to submit invoices and were not required to provide a certification that the project was completed. | For fixed price awards, the subrecipient must certify in writing to the federal awarding agency or pass-through entity at the end of the federal award that the project was completed or the level of effort was expended. | Prior to closeout of a fixed price subaward, the principal investigator (PI) must obtain from the subrecipient a certification that the project was completed or that the level of effort was expended. SPO will add this language to fixed price agreements. |
| Awards could be terminated in whole or in part if a recipient materially fails to comply with the terms and conditions of the award. | Under the Uniform Guidance, awards may be terminated for the same reasons; however, the new guidance requires that the non-federal agency be provided written notification of the reasons for termination, the effective date, and, in the case of partial termination, the portion to be terminated. | Written notification needs to be provided to the subrecipient setting forth the reason for the termination and the effective date of the termination. If a partial termination, the portion to be terminated. PIs should contact SPO to provide this notification to the subrecipient. |
| Prior approval is required if the PI is <u>absent</u> for more than three months, or a 25% reduction in time devoted to the project. | Prior approval is now required if the PI is <u>disengaged</u> from the project for more than three months, or a 25% reduction in time. | PIs need to work with SPO to obtain prior approval if they are going to be disengaged from the project for more than three months or reduce their time by 25%. The language change reflects the consideration that the PI can be away from campus and still remain engaged in the project. |
| Publication and printing costs were allowable as a necessary research costs as long as they were incurred during the award period. | Publication and printing costs may be charged before closeout if the costs are not incurred during the period of performance. | PIs need to be aware that these costs must be recorded within 90 days of the award end date. |
| Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs are unallowable. | These costs are still 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. | PIs need to explain the programmatic purpose of the expenses in the budget justification. |

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| <p>Costs of membership in any civic or community organization are unallowable.</p> | <p>With prior approval from the federal awarding agency, costs of membership in any civic or community organization are allowable.</p> | <p>PIs need to obtain prior approval if they are going to charge a membership to a federal award. The costs must meet also be reasonable and allocable to the award. At the proposal stage, the costs need to specifically described in the budget and budget justification.</p> |
| <p>Program income could be: 1) Added to funds committed to the project, 2) Used to finance the non-federal share of the project of program, or 3) Deducted from the total project or program allowable costs.</p> | <p>For federal awards made to institutes of higher education and nonprofit research institutions, if the federal awarding agency does not specify in its regulations or the terms and conditions of the federal award how program income is to be used, with prior approval of the federal awarding agency, program income may be added to the federal award by the federal agency and the non-federal entity.</p> | <p>In the absence of federal awarding agency regulations or terms and conditions requirements regarding adding program income to the award, PIs should work with SPO to obtain the federal agency approval for using the additive method.</p> |
| <p>Title to supplies and other expendable property shall vest in the recipient upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other federally sponsored project or program, the recipient shall retain the supplies for use on non-federal sponsored activities or sell them, but shall, in either case, compensate the federal government for its share.</p> | <p>Title to supplies will vest in the non-federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other federal award, the non-federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the federal government for its share.</p> | <p>This language does not represent a change to prior requirements. During closeout, supply inventories should be considered as to whether the aggregate value exceeds the \$5,000 threshold and a refund is due to the federal government.</p> |
| <p>Recipients are responsible for managing and monitoring each project, program, subaward, function, or activity supported by the award. Recipients shall immediately notify the federal awarding agency of developments that have a significant impact on the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.</p> | <p>The non-federal entity is responsible for oversight of the operations of the federal award supported activities. The non-federal entity must monitor its activities under federal awards to assure compliance with applicable federal requirements and performance expectations are being achieved. Monitoring by the non-federal entity must cover each program, function, or activity. The non-federal entity must submit performance reports using OMB approved governmentwide standard information collections when providing performance information. Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.</p> | <p>PIs need to be aware of the increased importance of timely progress reporting including the reporting of both significant positive and negative impacts on projects.</p> <p>The new language essentially emphasizes the institutional requirement to ensure progress is being made on federal programs in accordance with all federal requirements and adds that the institution monitor the achievement of performance expectations. The new rules are more prescriptive about the format and content of progress reports.</p> |

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| <p>Recipients shall submit, within 90 calendar days after the completion of the award, all financial, performance, and other reports as required by the terms and conditions of the award.</p> | <p>The federal agency or pass-through entity will closeout the federal award when it determines that all applicable administrative actions and all required work of the federal award have been completed by the non-federal entity...</p> <p>(a) The non-federal entity 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 the terms and conditions of the award.</p> <p>(b) The federal awarding agency or pass-through entity should complete all closeout actions for federal awards no later than one year after receipt and acceptance of all required reports.</p> <p>Any cost disallowance determinations must be made within the record retention period.</p> | <p>The “90 calendar days after the end date of the period of performance” requirement is consistent with A-110. The requirement to complete all closeout actions for federal awards no later than one year after receipt and acceptance of all required final reports is new. The campus will need to reinforce existing closeout procedures to ensure the most efficient and accurate closeouts. Final financial reports and other performance reports must be submitted on time, which require PI to closely monitor expenditures especially towards the end of the performance period. PI must work closely with department administrators to review award activities and make necessary changes timely.</p> |
| <p>A-21 required annual and/or final fiscal reports or vouchers requesting payment to include a certification, signed by an authorized official of the institution, which reads essentially as follows: “I certify that all expenditures reported (or payment requested) are for appropriate purposes and in accordance with the provisions of the application and award documents.”</p> | <p>Under the Uniform Guidance, the certification statement reads as follows: “By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise.”</p> | <p>Annual and final fiscal reports or vouchers requesting payment under federal agreements must include this certification, signed by an official who can legally bind the University.</p> <p>Contracts and Grants Accounting is responsible for this certification.</p> |