Worker Training Program Administrators' Meeting

October 19, 2021

Jenny Greer, Chief, Grants Management
Lisa Edwards, Grants Management

The Plan

- NIH Policy Updates

- Using Grant Funds

  – Unliquidated Obligations vs. Unobligated Balances

  – Order of Request for Use of Grant Funds

  – Prior Approval: Rebudgeting

  – Prior Approval: Carryover

  – Supplements

- COVID Supplements and Awards

  – Reporting

  – No-Cost Extension of COVID-19 Supplements

NIH Policy Updates

Updates to the Non-Discrimination Legal Requirements for NIH Recipients

NOT-OD-21-181

– Recipients must take reasonable steps to ensure that projects provide meaningful access to persons with limited English proficiency.

– HHS funded health and education programs must be administered in an environment free of sexual harassment, see https://www.hhs.gov/civil-rights/for-individuals/sex-discrimination/index.html.

Updated Process for Requesting Drawdowns Outside of the Liquidation Period

NOT-OD-21-149

Liquidation period = 120 days after end of project period

- Prior to submitting the payment request in PMS, submit a prior approval request to the IC Grants Management Specialist that includes PMS subaccount (e.g. award document number), NIH grant number, the amount of funds being requested, a justification for the late payment request, and description of the action being taken by the recipient to preclude similar situations in the future.
- The IC will review the request and if it is determined that the justification is adequate, will notify the recipient of the approval.
- Once approved, the recipient may submit the payment request in PMS. NIH will notify PMS of the approval, and the payment will be processed.

Communication through a Signing Official

NOT-OD-21-151: Reminder Regarding Recipient and Applicant Grants Policy Related Inquiries

– NIH awards are made to recipients, which are most often institutions, not individuals.

– AORs should be able to address most questions

– Institutions have their own policies and procedures that may impact the response to the question

Communication

- **Administrative** – The Signing Official (Not the PI) should contact the assigned Grants Management Specialist (include the grant number in correspondence)

  - GMS assignment is listed in your eRA commons account

  - Lisa Edwards is the GM program coordinator and will generally address questions that pertain to WTP as a whole

- **Scientific/Programmatic** - Contact the designated Program Official/Director

- **Review Questions** - Contact the assigned Scientific Review Officer

Grants Management Team

Aaron Nicholas

Barbara Gittleman

Clark Phillips

James Williams

Lisa Edwards

Michelle Victalino

Definitions

- **Obligations** = Funds that <u>**have been**</u> committed by contract or other legally binding action

- **Unliquidated Obligations** = Funds that <u>**have been**</u> committed by contract or other legally binding action, but have not been paid out yet – reported on the FFR (10.f)

- **Unobligated Balance** = Funds that <u>**have not been**</u> committed by contract or other legally binding action – reported on the FFR (10.h) and estimated in the RPPR (G.10)

- **Undrawn Balance** = Funds that have not been drawn down from the Payment Management System Account

Unliquidated Obligations:

Unliquidated obligations could include (and are not limited to):

- Signed Contracts that have not yet been fully paid out

- Un-invoiced services that have already been rendered

- Subaward agreements that have not yet been fully paid out

The Institution's written financial policies dictate what is considered by the institution to be an "obligation" or an "unliquidated obligation."

Order of Funding Requests

- Use current award 1st

- Carryover is 2nd

- Supplement is last

Prior Approval - Rebudgeting

Rebudgeting

- U45 FY2021 awards - Funds may be re-budgeted between individual budget categories within each program to the extent allowed by the NIH Grants Policy Statement.

  – Program costs may not be re-budgeted to another program without prior NIEHS approval.

- COVID-19 funds may **not** be rebudgeted for any purpose other than COVID work

NIH Grants Policy Statement

  – 8.1 - NIH prior approval is not required to rebudget funds for any direct cost item that the applicable cost principles identify as requiring the Federal awarding agency's prior approval, unless the incurrence of costs is associated with or is considered to be a change in scope.

Prior Approval - Carryover

Carryover

Authorization to use <mark>unobligated</mark> funds from a previous budget period in the current budget period to cover <u>prospective</u> allowable costs for the current budget period.

Since U45s and UH4s do not have automatic carryover authority as indicated in the Notice of Award, the recipient must request **<u>prior</u>** approval **<u>before</u>** utilizing **<u>any</u>** of the <mark>unobligated</mark> funds from a prior budget period.

Funds reported as unliquidated obligations on the FFR may be liquidated even after the budget period ends. Carryover should not be requested for these funds.

Carryover – When Do You Request?

- There is an immediate bona fide* need

- The grantee cannot rebudget current year funds to cover the costs

- Only after an FFR has been accepted by NIH OFM

NOTE: The *bona fide* needs rule is one of the fundamental principles of appropriations law: A fiscal year appropriation may be obligated only to meet a legitimate, or *bona fide*, need arising in, or in some cases arising prior to but continuing to exist in, the fiscal year for which the appropriation was made.

Carryover – How do you Request?

- Electronic submission - through the Prior Approval Module (Select "Prior Approvals" tab in eRA Commons) - preferred method.

- Email submission – by email from a Signing Official to the Grants Management Specialist

Carryover – The Request

- Cover Letter

  - Reason that the funds requested for carryover were not expended in the year they were awarded

  - Description of the immediate need and explanation why the requested costs cannot be covered by rebudgeting out of your current year's award

  - Description of activities to be supported

  - How will the work be impacted if the funds are not carried over?

  - Total amount of funds requested for carryover, with a breakdown of direct and indirect cost

Carryover – The Request

- Budget

  - A detailed budget and budget justification pages

    - Use PHS398 or SF424 forms

    - A separate budget and budget justification for each core and project and for each consortium partner included in the carryover.

    - **Provide a Composite Budget page**

  - A checklist page showing the F&A base to calculate indirect costs (Use the rate from the current NOA)

Carryover – The Request

- Budget Justification

  - Reasonable, allowable costs that are necessary and in line with the existing budget

  - Costs that are not duplicative of funds awarded in the current NOA

  - Must include personnel names and calendar month effort. (TBN will not be accepted.)

  - Effort levels must not exceed time remaining in the current budget period

Grants Management Review

- Has an FFR been accepted?

- Are there funds available on the FFR in the amount being requested?

- Is the recipient on track to draw down all/most funds from the current award by the end of the current budget period?

- Is the unobligated balance (as reported on the FFR) growing or decreasing over time?

- Is the unobligated balance on the most recent FFR larger or smaller than the approved carryover for that year?

- Does the request duplicate funding already provided?

- Is it within scope?

Carryover Determination

- Generally provided within 30 days of submission of last piece of required information

- If approved, provided through revised Notice of Award

- If disapproved, provided through email from Grants Management Specialist

Supplements

Administrative Supplements

A supplement request is a request for additional funding for a current budget period to meet **increased costs** that are **within the scope** of the approved application, but that were **unforeseen** when the new or renewal application or grant progress report for non-competing continuation support was submitted

Solicited Supplement opportunities may be available periodically through a Notice of Special Interest (NOSI)

Supplement Tips

- Bona fide needs rule applies

- Ask only for what you can reasonably obligate in the current budget period

- Supplement applications will generally not be considered if you are carrying a large unobligated balance

- Discuss any need for supplementation with your Program Officer prior to submission

Supplements: What You Need to Know

- If awarded, supplements will typically:

    – Align with the budget period of the parent grant

    – Be prorated for the time remaining in the current budget period (e.g., if you requested 12 months, but there are only 6 months remaining in the current budget period, the salaries for anyone requested at 12cm of effort will be cut in half)

COVID Supplements & Awards

COVID-19 Reporting

- All grantees who received COVID-19 funding must report on those funds separately.

- As indicated in the terms of the Notice of Award, you need to submit a separate Federal Financial Report (FFR) (SF 425) every year

- FFRs must be submitted through the Payment Management System

- If you have COVID funds remaining from a previous budget period that you want to have carried forward, the FFR should be marked "Annual."

Read NOA carefully - all information is listed there.