Worker Training Program Administrators' Meeting

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The Plan

- Using Grant Funds
  - Order of Request for Use of Grant Funds
  - Unliquidated Obligations vs. Unobligated Balances
  - Prior Approval: Rebudgeting
  - Prior Approval: Carryover
  - Supplements

- COVID Supplements and Awards
  - Reporting
  - No-Cost Extension of COVID-19 Supplements

- Communication

Using Grant Funds

Unliquidated Obligations:
Unliquidated obligations are commitments of the recipient and are considered to be obligations and, therefore, should not be reported as unobligated balances.

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

Unobligated Balance:
The amount of funds authorized under a Federal award that the non-Federal entity has not obligated.

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

Unobligated balances are the amounts of budget authority that have not yet been committed by contract or other legally binding action by the government.

Order of Request for Use of Grant Funds

1. Use the money available in the current budget period **first**

2. Ask for carryover of unobligated funds from the previous budget period **next**

3. Ask for supplemental funds **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 – What is it?

- Carryover is when unobligated Federal funds remaining from a previous budget period are carried forward and authorized to use in a later budget period to cover allowable costs incurred during the later budget period.

- If the grantee has automatic carryover authority, as indicated in the Notice of Award, no prior approval is required.

- If the grantee does not have automatic carryover authority as indicated in the Notice of Award, the grantee must request **prior** approval **before** utilizing **any** of the funds from a prior budget period.

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 – How Do you 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 – How Do you Request?

- Budget

  - A detailed budget and budget justification pages in a format such as that found in the PHS398 or SF424.

    - Provide a Composite Budget page.

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

  - A checklist page showing the F&A base and rate to calculate indirect costs, if using the 398 (provided directly on SF424)

  - The detailed budget must include personnel names and calendar month effort. (TBN will not be accepted.)

Carryover – How Do you Request?

- Budget Justification

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

  - Detailed justification for each project/core/consortium

  - Effort commensurate with time remaining in the current budget period

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

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

Supplements: What You Need to Know

- Supplement requests that are not being submitted to a specific published Notice of Special Interest (NOSI) should be discussed with your Program Officer prior to submission

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

- Supplement applications must be submitted to a posted Funding Opportunity Announcement

- 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)

- FFRs are now 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.

No-Cost Extension of COVID-19 Supplements

Applicable to grantees that:

– Received a COVID-19 Supplement

- on the FY19 award
- did not obligate all funds by 7/31/2020

– Received a one-year (or less) COVID-19 Supplement

- on the FY20 award
- will not obligate all funds by 5/31/21
- are not slated to receive a COVID-19 Supplement at the time of the T5 award
- Did not receive a 2-year COVID-19 Supplement on the FY20 award

No-Cost Extension of COVID-19 Supplements

- Submit a request to extend the Supplement period up to 12 months

    – Request should include

    - a brief description of the project activities that require support during the extension

    - a statement about the funds available to support the extension

    – Submit via email to assigned GMS

    – Do not submit a final FFR for the Supplement(s) until after the extension period is over. If you have already done so, please let us know immediately

Communication

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- Institutional Resources – **FIRST**, utilize the expertise of your organization's Office of Sponsored Programs. They should be familiar with NIH policies and, more importantly, are familiar with your institution's policies and procedures

Grant-Specific Questions

- Administrative – The **<u>Signing Official</u> (Not the PI)** should contact the assigned Grants Management Specialist (**ALWAYS include the grant number in all 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