


# FEDERAL GRANTS NEWS

*for Colleges and Universities*

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## Stimulus Funding Delivers Big Money for University Research ... and Big Reporting

As the saying goes, there's no such thing as a free lunch. The American Recovery and Reinvestment Act (ARRA or the "stimulus" law), signed by President Obama on Feb. 17, contains an unparalleled amount of research funding, but with strings attached in the form of quarterly reporting.

The funding includes \$10 billion for the National Institutes of Health, \$3 billion for the National Science Foundation, \$1 billion for NASA of which \$400 million is for research, \$1.6 billion for the Department of Energy's Office of Science, and \$600 million for the National Institute of Science and Technology. The agencies have only two years to spend the funding, and the government has established a Web site as the central repository for agency plans and information about the stimulus funding and spending. The site includes a timeline, which shows agencies announcing spending plans beginning March 3 and posting their grants and contract awards beginning May 20.

The large amount of funding that colleges and universities will receive comes with a large reporting burden as part of the statute's accountability requirements. The Office of Management and Budget, in its initial guidance to the agencies, itemized the information that each prime recipient must report to each agency on their awards and subawards within 10 days of the end of each calendar quarter starting on July 10. The reports are to include the following:

- ◆ The total amount of recovery funds received from the agency

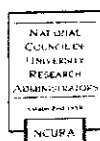
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## Audit of Duke's Clerical/Administrative Costs Presents 'Lessons Learned'

The Department of Health and Human Services Office of Inspector General recently released the results of its latest audit of direct charging of clerical and administrative costs and other costs that normally are treated as facilities and administrative costs. The OIG reviewed costs incurred by Duke University during the period Oct. 1, 2002, through Sept. 30, 2004, and based on its findings extrapolated questioned costs of \$1.7 million. The finding underscores that small errors at a local level can become very expensive when extrapolated across the research base of a large university.

The OIG sampled 114 charges for administrative and clerical salaries from a universe of 4,641 salary charges over \$5.00 and 120 charges from the 50,458 transactions for costs other than salaries. The two samples represented \$458,493, out of \$7,911,659 (about 5%) of the total charges for the period. Of these charges, the OIG questioned \$28,486 on the grounds that the charges did not meet the principles of Circular A-21. Based on these samples, it extrapolated approximately \$2.4 million in disallowed costs university-wide, which it reduced to approximately \$1.7 million after the university provided additional documentation.

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to NSF review upon request. NSF will amend its standard award conditions to state that institutions are responsible for verifying that the appropriate training is being provided.

The NSF asks for comment on the proposed implementation plan and specifically wants responses to the following questions:

- ◆ What challenges do institutions face in meeting the new RCR requirement?
- ◆ What role should principal investigators play in meeting NSF's RCR requirement?
- ◆ Because NSF is not requiring a one-size-fits-all approach, what are the pros and cons of exploring a diversity of approaches?
- ◆ How can online resources be most effective in assisting with training students and postdocs in the responsible and ethical conduct of research?

Commenters are also asked to discuss how to verify that the requisite RCR training has been provided. March 31 is the deadline for comments to be e-mailed to [RCRinput@nsf.gov](mailto:RCRinput@nsf.gov). ♦

## NIH Addresses Enforcement Of Public Access Policy

The National Institutes of Health has issued an analysis of comments it received on implementation of the Public Access Policy and a summary of the changes it made in response to the feedback. The policy requires investigators who are funded by NIH to submit their final peer-reviewed manuscripts upon acceptance for publication to PubMed Central, the National Library of Medicine's digital archive. The manuscripts are posted within 12 months after the official date of publication.

Included in the report is the NIH response to a question about the consequences if a researcher does not submit the manuscript as required. During the first five months of the policy, NIH said, 56% of all NIH-funded papers had been submitted, but more than 40% of awardees are not complying, even though compliance is both a statutory requirement and a condition of award.

If grantees do not comply with the policy, NIH said it may undertake one or more enforcement actions, depending on the severity and duration of the non-compliance. Grantees will have an opportunity to correct the deficiencies before an enforcement action is taken, but NIH also may place special conditions on awards, preclude the grantee from obtaining future awards for a specific time period, or impose additional monitoring. **Link to the report:** [http://publicaccess.nih.gov/analysis\\_of\\_comments\\_nih\\_public\\_access\\_policy.pdf](http://publicaccess.nih.gov/analysis_of_comments_nih_public_access_policy.pdf). ♦

## The Winter 2009 Web Update to Managing Federal Grants...

has just been posted. Included in the update are

- ◆ A completely revised section, ¶2840: Financial Conflict of Interest, written by Gunta Liders, University of Rochester;
- ◆ Revised content on institutional compliance programs (¶¶2801-2806) and using animals in research (¶2810);
- ◆ Updated discussion of FDP subaward agreement (¶2604, ¶2630, ¶2633) and
- ◆ The new Federal Financial Report, SF 425 (¶3709) and new versions of the SF 424 and SF 424 (R&R) (¶3707, ¶3708).

And we have added *links to agency stimulus law Web sites* to monitor awards and spending. Look for the links on [www.ManagingFederalGrants.com](http://www.ManagingFederalGrants.com).

## Research Funding in Stimulus Law

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- ◆ The amount of funds received that were obligated and expended
- ◆ A detailed list of all projects or activities for which funds were obligated and expended including:
  - The name of the project or activity
  - A description of the project or activity
  - An evaluation of the completion status of the project or activity
  - An estimate of the number of jobs created and the number of jobs retained by the project or activity
- ◆ Detailed information on any subawards made by the recipient, including the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006.

The OMB memorandum says that final guidance "will lay out in more detail specific reporting instructions and how the data collection for this reporting will work government-wide." OMB is "considering how to centralize the collection and reporting of the information," although the current preference is to use existing program level systems. OMB also assures recipients that its first option for subawards is the formats currently used by agencies to report to [USASpending.gov](http://USASpending.gov).

**Link to the ARRA Web page:** [www.recovery.gov](http://www.recovery.gov). For the guidance, click on "Announcements" and scroll to Feb. 16. **Links to agency stimulus law Web sites** are posted on [www.ManagingFederalGrants.com](http://www.ManagingFederalGrants.com). ♦