

COGR Preliminary Assessment of Selected Items OMB Uniform Administrative Requirements, Cost Principles, and Administrative Requirements for Federal Awards

January 14, 2014

OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Final Rule released on December 26, 2012 (2 CFR Chapter II, Part 200, et al.)

In this document, we refer to the new guidance as **OmniGuidance**. Our comments are focused on the OG, though in some cases we compare the **OmniGuidance** to existing Circulars.

[Preamble to the Uniform Guidance](#)

The Preamble includes the OMB/COFAR analysis of the key changes between the Proposed Guidance and the final **OmniGuidance**. COGR suggests exercising close scrutiny when reading the Preamble and any assessment of the OG should be based on the detailed language in the actual Subparts that follow.

[Subpart A Definitions](#)

Initial COGR observations on definitions are intertwined with the applicable sections below.

[Subpart B General Provisions](#)

200.101 Applicability. Applicability has been clarified in table format. Subparts C and D (and 200.111, 200.112, and 200.113 of Subpart B) not apply to cost reimbursement contracts awarded under the FAR. Subparts E and F are applicable to grants, cooperative agreements and contracts.

200.102 Exceptions. As COGR requested in comments to the Proposed Guidance, agency exceptions to these regulations for classes of Federal awards must be published on an OMB website.

200.107 OMB Responsibilities. COGR request for a more robust OMB role was not accepted. Still, under the OG, OMB will provide policy interpretations and agency exceptions will be subject to OMB approval.

200.110 Effective/applicability date. Uniform implementation date of 12/26/14 for all Subparts except Subpart F, which will be effective the first FY beginning after 12/26/14. Generally speaking, the OG will be applicable for new awards and for incremental funding awarded on or after 12/26/14.

200.112 Conflict of interest.

200.307 Program income. Clarifies that the addition method is the default for handling program income for institutions of Higher Education (IHEs) and nonprofit research institutions. The definition of program income includes license fees and royalties from patents copyrights etc. While consistent with the Circular A-110 definition, in the PG royalty and license fees were excluded from consideration as program income.

200.313 Equipment. Section (a) Title to $\mu] u v] v \} ^ \wedge \} v]] \} v o$
the 5 (a) 4 (a)) TJ ET BT /F5 12 Tf 47 0 1 138.86 6202007E>38<0176>-4<37F>38<07E>38<3

200.415 Required certifications. Annual and final fiscal reports or vouchers request payment must include a certification, signed by an official who is authorized to bind the non-Federal entity includes language stating / u ` Z v (o U 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
Concern: Unnecessarily harsh language appears to devalue the federal partnership.

200.419 Cost accounting standards and disclosure statement. After being eliminated in the PG, the **C** adds back compliance with the four CASB standards and maintenance of a DS2. The threshold is set at \$50 million, rather than the \$25 million per Circular A proposed change to the **DS** should be proposed to the Federal cognizant agency for indirect costs six months prior to implementation and must be approved within the six months, unless the cognizant agency specifies additional time is needed to review the proposed change. **Concern: Not clear as to why a burden reduction proposed in the PG is**

200.459 Professional service costs. The costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill are allowable, but are subject to number of factors which may create administrative challenges to justify the use of these services.

200.461 Publication and printing costs. As addressed by COGR in our response to the PG, The non-Federal entity may charge the Federal award before closeout for the costs of publication or sharing of research results if the costs are

200.463 Recruitment costs. Per section (d) and subject to several Short-term, ^ travel visa costs (as opposed to long-term, immigration visas) are generally allowable expenses that may be proposed as a direct cost. Since short visas are issued for a specific period and purpose, they can be clearly identified as directly connected to work

Subpart F tAudit Requirements

COGR observations will be provided in subsequent documents.

Appendix III tIndirect (F&A) Costs Identification, and Rate Determination for Institutions of Higher Educations (IHEs)

A.2.e.(2) Order of distribution. As requested by COGR, reference to Library in the proposed order of distribution was removed.

B.4.(c) Operations and maintenance expenses. As proposed in the PG, a form of the utility cost adjustment is available to all IHEs. However, per the OG, it is capped at 1.3 percentage points. The guidance for computing the adjustment remains somewhat confusing and it states that research laboratory space (not research space) should be weighted according to the relative energy utilization index (REU). Weighting of other types of space (e.g., classrooms) is not specifically addressed, but will need to be interpreted in a manner that recognizes that certain types of space require reduced weighting factors

B.6 Department administration expenses. The language from Circular A-21, F.6.b.(2) which was removed in the PG and eliminated the restriction on the allowability of administrative and clerical salaries, also was eliminated in the OG. Also see 200.413 above.

B.8 Library expenses. W K ' Z [professional employee category can include post-doctorate fellows and graduate students o } K ' Z [the other users(t)4(s)] TJ E

C.2. The distribution basis. The OReferences the