

NORTHERN ARIZONA UNIVERSITY

UNIFORM GUIDANCE (2 CFR 200)

PRINCIPAL INVESTIGATOR REFERENCE GUIDE (04/10/2015)

Quick Summary

1. **Administrative and clerical salaries** may be included in the budget, if they are “integral” to the project.
2. **Compensation for incidental activities** is allowable only with agency prior approval.
3. **Computing devices** (with a value less than \$5,000) may be included in the budget, if they are essential and allocable to the project.
4. **Voluntary committed cost sharing** is not expected and cannot be used as a factor in merit review.
5. **Personally Identifiable Information (PII)** is a priority for the Federal government and must be carefully protected.
6. **Memberships** in civic or community organizations are allowable only with agency prior approval.
7. **Participant support costs** may be included in the budget if part of educational outreach and receive agency prior approval.
8. **PI disengagement** (absence) is allowable, but requires agency prior approval if more than 3 months or a 25% reduction in effort.
9. The costs of **publication or sharing of research results** may be charged after the project ends, but before final closeout.
10. The Federal government must recognize all **federally negotiated indirect cost rates**.
11. **Fixed amount awards** of up to \$150,000 may be used for subrecipient agreements.
12. **Short-term visa costs** are allowable if part of recruitment.

Reference	Change	Required Approvals	Action	Notes
Administrative and Clerical Salaries; Administrative Supplies Subpart E: Cost Principles: 200.413	Administrative and clerical salaries may be included in the budget, if they meet the following criteria: (1) the services are integral to the sponsored project; (2) the employees can be specifically identified with the sponsored project;	These costs must be explicitly included in the proposal and awarded budget or receive prior written approval from the awarding agency (if proposed after award).	If administrative and clerical salaries are necessary for the successful completion of the SOW and meet the criteria for direct costing, then they should be included in the proposal budget with a justification that explains how they are integral to the project. At NAU, “integral” means (1) the services are essential to	Typically, administrative supplies (“general purpose” supplies) are treated as indirect costs, however, under special circumstances such costs may be directly charged if they support the project’s SOW and are allowable, allocable, reasonable, and consistently treated in like circumstances. Contact OGCS prior to including them in a proposal budget or

	<p>(3) the costs are explicitly included in the proposal and awarded budget or have prior written approval from the agency;</p> <p>(4) the costs are not also recovered as indirect costs.</p>		<p>meeting project goals and objectives; and (2) a minimum of 10% FTE (e.g. one morning or afternoon each week) is budgeted for each year of employment on the project -- unless there are documentable special circumstances.</p>	<p>PAASFC before incurring these expenses after award.</p>
<p>Compensation – Personal Services:</p> <p>Subpart E: Cost Principles: 200.430</p>	<p>Institutional Base Salary (IBS) is the annual compensation paid by NAU to a faculty member, whether time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for NAU.</p> <p>Incidental activities for which supplemental compensation is allowable under University policy may not exceed a rate based on the IBS.</p>	<p>Agency prior written approval is required for any work increasing compensation above the IBS.</p> <p>Incidental activities must be included in the proposal and award budget or receive agency prior written approval, if proposed after award.</p>	<p>If incidental activities are to be paid with federal funds, contact OGCS for review before including them in the proposal budget or PAASFC before incurring these expenses after award.</p> <p>If incidental activities are to be paid by NAU as supplemental pay, contact OGCS or PAASFC about the potential impact on your sponsored projects and whether agency approval is required.</p>	<p>Intra-institutional consulting by faculty is assumed to be a University obligation requiring no compensation in addition to IBS.</p> <p>Extra Service Pay is subject to University supplemental pay policies. It is allowable only under extraordinary circumstances.</p>

<p>Computing Devices</p> <p>Subpart A: Acronyms and Definitions: 200.94</p> <p>Subpart E: Cost Principles: 200.453</p>	<p>Computing devices, with a value of less than \$5,000, may be included in the budget if they meet the following criteria:</p> <p>(1) the devices are essential and allocable to the project or activity;</p> <p>(2) they are used to acquire, store, analyze, process, and publish project data;</p> <p>(3) the project does not have reasonable access to other equipment or devices that can achieve the same purpose.</p>	<p>Agency prior approval is not required, but the devices must be itemized in the proposal budget and justified as essential and allocable.</p> <p>In addition, the direct benefits to the project should be documented during the period of performance.</p>	<p>If desktop or laptop computers are needed to support the project scope of work, then they should be including in the proposal budget and appropriately justified.</p> <p>PI's are responsible for determining if the devices are essential and allocable to the project or activity.</p>	<p>Costs may include accessories for printing, transmitting, receiving, or storing electronic data.</p> <p>Devices may not be purchased for convenience or preference.</p> <p>The purchase of tablets or “smart phones” is discouraged because of the extra challenges controlling their use.</p> <p>Items costing more than \$5,000 with a usable life of one year or more are considered equipment and follow Federal equipment rules for when they can be directly charged.</p>
<p>Cost Sharing</p> <p>Subpart D: Post Federal Award Requirements: 200.306</p>	<p>Voluntary committed cost sharing is not expected on federal awards and cannot be used as a factor in merit review.</p>	<p>If cost sharing is permitted, then agency prior approval is required to use unrecovered indirect costs to offset the cost-share requirement.</p>	<p>Voluntary committed cost sharing should not be proposed unless it is deemed critical for the potential success of the project.</p> <p>All cost sharing must receive the pre-approval of your Dean and the Vice President for Research.</p>	<p>Voluntary committed cost sharing may be considered as part of merit review only if it is both in accordance with agency regulations and specified in the notice of funding opportunity.</p>

<p>Effective Date</p> <p>Subpart B: General Provisions: 200.110</p>	<p>The Uniform Guidance is effective for new Federal awards, including funding increments that formally incorporate the UG, with award dates of 12/26/2014 or later.</p> <p>In accordance with revised NIH and NSF policy statements, these agencies will apply the Uniform Guidance to all new awards AND funding increments obligated on or after December 26, 2014.</p>	<p>Not Applicable</p>	<p>Review each new award, modification, and increment carefully. Only the award date determines the applicable regulations, not the date of receipt or the start of the period of performance.</p>	<p>Projects awarded prior to 12/26/2014 that are not modified to incorporate the Uniform Guidance will be managed under the terms and conditions included with the original award (A-21, A-110, A-133, agency provisions, and award terms).</p>
<p>Internal Controls: PII</p> <p>Subpart A: Acronyms and Definitions: 200.79</p> <p>Subpart C: Pre-Federal Award Requirements and Contents of Federal Awards: 200.203</p>	<p>NAU must safeguard protected personally identifiable information and other sensitive data and information in accordance with the federal, state and local laws regarding privacy and obligations of confidentiality.</p>	<p>Agency prior approval of NAU’s internal controls is not required.</p> <p>Follow the University’s rules regarding the protection of Personally Identifiable Information.</p>	<p>The definition of PII is not based upon any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified.</p> <p>Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual.</p>	<p>Personally Identifiable Information means information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.</p> <p>Some PII is available in public sources e.g. telephone books, public websites, and university listings. This “Public PII” includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general educational credentials.</p>

<p>Memberships, Subscriptions, and Professional Activity Costs</p> <p>Subpart E: Cost Principles: 200.454</p>	<p>Normally, costs of memberships in civic or community organizations are unallowable.</p> <p>Costs of membership in any country, social, or dining club or organization are unallowable.</p>	<p>Agency prior approval is required for memberships in civic or community organizations.</p>	<p>Prior to including memberships or similar fees in the proposal budget, consult with OGCS about the appropriateness of the expense.</p> <p>If such fees are an unplanned expense during the award, consult with PAASFC prior to incurring the expense.</p>	<p>Do not propose or charge individual memberships (business, technical, or professional) to a federal award unless the membership:</p> <ul style="list-style-type: none"> • is required to participate at a conference as a panelist or presenter; • significantly reduces the cost of a conference related to the sponsored project; or • significantly reduces the cost of a periodical related to the sponsored project. <p>As always, such expenses must be allowable, allocable, and reasonable.</p>
<p>Participant Support Costs</p> <p>Subpart A: Acronyms and Definitions: 200.75</p> <p>Subpart E: Cost Principles: 200.456</p>	<p>Participant support costs are allowable direct costs for stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects.</p>	<p>Agency prior approval is required to include participant support costs in the proposal and awarded budgets and to shift these budgeted funds to other cost categories.</p>	<p>Clearly identify all expenses that will be considered Participant Support in the proposal budget and, upon award, segregate these funds in a line item to which the indirect cost rate will not be applied.</p>	<p>Participant support costs are not routinely allowed on research projects unless the project includes an education or outreach component.</p> <p>Indirect costs may not be charged against participant costs.</p>

<p>Principal Investigator Disengagement</p> <p>Subpart D: Post Award Requirements: 200.308</p>	<p>The Uniform Guidance recognizes that a PI can be absent from campus and still remain engaged in the project.</p>	<p>Agency prior approval is required for PI disengagement (formerly “absence”) from the project for more than 3 months or a 25% reduction in effort.</p>	<p>Ensure requests for prior approval explain NAU’s policy regarding “disengagement” and demonstrate how the project will continued to be managed in accordance with the award terms.</p>	<p>To remain serving as a Principal Investigator during a period of disengagement, NAU expects the PI to personally and actively manage the project. For example, such continued engagement would not be appropriate if the PI is:</p> <ul style="list-style-type: none"> • Terminated or suspended from employment with the University; • Absent from the project for more than 12 months; • Reduces his or her effort on the project to 0 percent; or • Engages in less than a minimum of weekly contact with project personnel.
<p>Publication and Printing Costs</p> <p>Subpart E: Cost Principles: 200.461</p>	<p>Publications costs for electronic and print media, including distribution, promotion, and general handling are allowable if they directly benefit the project.</p>	<p>No agency prior approval is required, but such costs must be incurred during the period of performance or the period between the award end date and final closeout.</p>	<p>If publication and printing costs are anticipated, then include them in the proposal budget. Contact PAASFC prior to the end of the period of performance to ascertain how such costs will be charged.</p>	<p>To be eligible for payment, invoices must be received and processed prior to the final closeout date.</p>

<p>Subawards</p> <p>Subpart D: Post Federal Award Requirements: 200.330</p>	<p>NAU must make case-by-case determinations whether each agreement for the disbursement of Federal funds identifies the party receiving the funds as a subawardee (subrecipient) or contractor (vendor).</p>	<p>Agency prior written approval is required if the subaward is not included in the awarded budget or proposed after award.</p>	<p>Ensure that the process and rationale for issuing either a subaward (subrecipient agreement) or subcontract (vendor agreement) is well documented. This is particularly important when sole sourcing.</p>	<p>Awarding agencies may require recipients to comply with additional guidance to support these determinations.</p> <p>Whenever possible, the subrecipient budget, scope of work, and justification should be included in the proposal.</p>
<p>Subawards</p> <p>Subpart D: Post Federal Award Requirements: 200.331</p>	<p>NAU must use the subrecipient’s negotiated indirect cost rate in every subaward.</p>	<p>See above.</p>	<p>If the subrecipient’s does not have a federally negotiated indirect cost rate, then a “de minimus” rate of 10% should be used or a mutually acceptable rate negotiated.</p> <p>Contact OGCS or PAASFC for assistance.</p>	<p>If a federal agency or program has a published, statutory F&A cap, then that rate should be used by NAU and any subrecipients.</p>
<p>Subawards</p> <p>Subpart D: Post Federal Award Requirements: 200.331</p>	<p>NAU must evaluate each subrecipient’s risk of noncompliance with federal statutes, regulations, and the terms of the subaward; develop a monitoring plan; and monitor the activities of the subrecipient to ensure that they are pursuing the authorized purposes, complying with the terms, and meeting performance goals.</p>	<p>See above.</p>	<p>OGCS and PAASFC will develop a methodology for determining risk prior to issuing the subaward and monitoring project performance, but the PI is responsible for reviewing the subrecipient’s progress based upon specific objectives and consistency between budget and expenditures.</p>	<p>If the subrecipient is determined to be a higher risk, then the following monitoring tools may be useful: providing training and technical assistance; performing on-site reviews; arranging for audit services.</p> <p>Consult OGCS or PAASFC for guidance.</p>

<p>Subawards</p> <p>Subpart D: Post Federal Award Requirements: 200.332</p>	<p>Fixed amount awards, up to \$150,000 (direct + indirect costs), may be used for subrecipient agreements, if the following criteria are met:</p> <p>(1) payments are based upon the requirements of the federal award; (2) the project scope is specific; (3) adequate cost, price, or unit pricing data are available; (4) the subrecipient will not realize a significant residual above actual cost; and (5) mandatory cost share is not required.</p>	<p>Agency prior written approval is required to issue a fixed-amount subaward.</p> <p>Note: NIH has waived this requirement.</p>	<p>Ensure that the scope of work and estimated costs for the fixed-amount subaward are justified in the University's scope of work and included in the proposed budget.</p>	<p>Important! A fixed-amount award is not the same as a fixed-price contract issued under the FAR. No residuals are allowed. NAU must certify in writing that the project or activity was completed or the level of effort expended. If the required SOW or level of effort was not carried out, the amount of the award must be adjusted accordingly.</p>
<p>Travel Costs</p> <p>Subpart E: Cost Principles: 200.474</p>	<p>Temporary dependent care costs resulting from travel to conferences is allowable if the costs are:</p> <p>(1) a direct result of the individual's travel for the award; (2) consistent with the University's travel policy; and (3) only temporary during the travel period.</p>	<p>Agency prior approval is not required, however, NAU does not have a policy regarding temporary dependent costs. Therefore, such costs should not be included in proposal or award budgets.</p>	<p>In general, follow the State of Arizona travel policies and procedures. If there is a discrepancy between state and federal policies, then follow the most restrictive rule, e.g. the state travel policy limits fares for commercial airline travel to "coach, economy, or other discounted class" NOT the "basic least expensive <u>unrestricted</u> accommodations class" as</p>	<p>Travel costs for dependents are always unallowable, except for travel of duration of six months or more with the prior approval of the funding agency.</p> <p>Individual agencies or awards may require prior approval for foreign travel.</p>

			stated in the Uniform Guidance.	
Visas Subpart E: Cost Principles: 200.463	Short-term visa costs are allowable direct costs if they are: (1) critical and necessary for the conduct of the project; (2) allowable under the applicable cost principles; (3) consistent with University cost accounting practices and policies; and (4) meet the definition of “direct cost” as described in Subpart E: Cost Principles.	Agency prior approval is not required, but, because such visas are classified as a recruiting cost, only the cost of the initial visa is allowable.	A detailed budget justification should address the following criteria: (1) the visa is issued for a specific period and purpose; (2) the individual is performing work directly connected to the project or activity; (3) the work is critical and necessary for the conduct of the project or activity.	Basic visa application costs and required fees should be treated as allowable direct costs, provided they meet the criteria. As with all recruiting costs, if the employee resigns within 12 months of recruitment for reasons within his/her control, then the associated relocation costs, including any visa costs, must be removed from the award.