2012 NIH FALL UPDATE

• Highlights from the 2012 NIH Fall Update
• Policy Reminders
• Questions and Answers
FY2013 President’s Budget

- Requests 30.9 billion for NIH; same as FY2012
- From the HHS FY2013 Budget in Brief:
  - Continued focus on resources for young, first time researchers
  - Continued exclusion of inflationary allowances
  - Reduce non-competing continuation grants by 1% below FY2012 level
  - Manage competing awards to avoid growth in average award size
  - Provide consideration by IC Advisory Councils of awards to PD/PIs with existing grants of $1.5 million or more in Total Costs
NIH FY 2012 Fiscal Policy for Grant Awards

- FY 2012 Funding Levels: Non-competing awards will be issued without cost of living/inflationary adjustments.
- Inflationary Increases for Future Years: Will be discontinued for all competing and non-competing research grant awards issued in FY 2012.
- Overall effort is to keep average size of grants consistent to the FY2011 levels or lower.
- NRSA / Graduate Students: NIH will implement a two percent increase at all stipend levels.
- Salary Limits: Applies Executive Level II.
- Additional Information: Additional details on Fiscal Operations, including specific funding strategies for ICs will be posted at http://grants.nih.gov/grants.financial/index.htm

More at: NOT-OD-12-036
NIH Salary Cap News

- Prior year awards (awards made in FY 2011, 2010, etc) are not impacted. No adjustments required;

- If the President signs a CR for any part of FY 2013, unless legislative language provides otherwise, the EL-II salary cap will apply regardless of what level was applied in FY 2012;

- Where applicable, grantees will be allowed to rebudget in an effort to accommodate the new salary cap limitations.

- Salary cap does not apply to payments made to consultants under a grant;

- Salary cap does apply to subawards/contracts for substantive work under a NIH grant;


More at: NOT-OD-12-035
How the NIH Fiscal Policy Impacted Your FY2012 WETP Award

• Your progress report requested budget equaled the Total Cost committed on your FY2011 Notice of Award for this year.

• Out-year commitments will be revised to remove inflation, if applicable.

• Use the Executive Level II Salary Cap ($179,700) on your budget request.

• Use the 2012 NRSA Guidelines to determine the graduate student compensation limits.
Closing out the Era of ARRA

- Timely Quarterly and Closeout Reports Required
  - All standard closeout documents apply to ARRA funded awards (Final Progress Report, Final Invention Statement, Final FFR), even if ARRA funded a Supplement to a non-ARRA parent;
  - Financial closeout requirements for multiple ARRA supplements: NOT-OD-10-066.

More at: http://www.grants.nih.gov/recovery/
New HHS Policy on Efficient Spending

• New HHS policy modifies grantee use of NIH funds for conferences, meetings, food, promotional items, and printing and publications.

  – Applies to NIH Grants and Cooperative Agreements where the primary purpose of the grant is to support a Conference and/or Scientific Meeting (i.e. R13s and U13s);

• Implications for Grants

  – Effective with awards issued on or after 01/27/12, a new term and condition prohibiting food/meal costs from being supported by or charged to NIH-supported conference grants will be included on all competing and noncompeting NIH R13 and U13 awards: “Direct charges for meals/food and beverages are unallowable charges to this project.”

• More at: NOT-OD-12-041 and NOT-OD-12-048
Who to Contact for Grants Information:

• General Application Questions:
  – E-Mail: GrantsInfo@nih.gov
  – Phone: 301-435-0714

• Grants.gov Customer Support:
  – E-Mail: support@grants.gov
  – Webpage: http://grants.gov/
  – Phone: 800-518-4726

• eRA Commons Helpdesk:
  – Phone: 301-402-7469 or 800-504-9552

Division of Grants Policy:
  – E-Mail: GrantsPolicy@mail.nih.gov
  – Phone: 301-435-0949

Division of Grants Compliance & Oversight:
  – E-Mail: GrantsCompliance@mail.nih.gov
  – Phone: 301-435-0949
POLICY REMINDERS
Due Dates for WETP Program

- **BUDGET START DATE**
- FFR Due - 90 days following the calendar quarter end of the previous budget end date
- Carryover Requests due – at least 5 months prior to Budget End Date
- Progress Report Due - 60 days prior to Budget End Date (45 days for any awards under eSNAP.)
- **BUDGET END DATE**
Non-Competing Continuation Progress Reports

• Failure to submit complete and timely progress reports may affect future funding to the organization;

• Non-SNAP annual progress reports are due two months prior to the anniversary date (paper submission);

• SNAP progress reports (e-SNAP) are due 45 days prior to the anniversary date (electronically submitted through eRA Commons eSNAP Module);

• All grantees have access to a searchable list to determine which progress reports are due at: http://era.nih.gov/userreports/pr_due.cfm
Prior Approvals

• Prior Approval Requests must be submitted by an Authorized Institutional Signing Official to the NIEHS Grants Management Specialist.

• The following are some issues that require Prior Approval:
  • Deviations from Award Terms and Conditions (e.g. – changing consortium partners)
  • Carryover of Unobligated Balances
  • Change of Scope (e.g. – significant rebudgeting of > 25%; change in human subject activities)
  • Reduction of Effort by PI/Key Personnel by 25% or more
  • No-cost Extensions (beyond first 12 months)

• NIEHS tries to respond to all prior approval requests within 30 days of receiving all necessary information from the grantee.
Carryover Requests

A carryover request should include the following:

- A cover letter explaining why there is a balance, and what the intended use of funds is, countersigned by a Signing Official.
- A detailed budget and budget justification for unobligated balance AND requested use of unobligated balance.
  - Levels of effort must be stated for all salary requests
  - Separate budget breakdowns should be provided for each subproject
  - Separate budget breakdowns should be provided for each consortium involved
- A checklist page identifying any requested indirect costs

It may be helpful for you to categorize your unobligated balance and request in the following budget tables.
<table>
<thead>
<tr>
<th>Category</th>
<th>NGA Award Amount (NA)</th>
<th>Supplements, if applicable ($)</th>
<th>Prior Years Carry-Over (PCO)</th>
<th>Total Awarded (NA+S+PCO)</th>
<th>Total Expenditure</th>
<th>Unobligated Balance</th>
<th>Explanation of Unobligated Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
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<td>Fringe Benefits</td>
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<td>Total Personnel</td>
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<td>Equipment</td>
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<td>Supplies</td>
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<td>Consortium D</td>
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</table>
### Table 2: Proposed Budget for Carryover of Unobligated Balance from Budget Period _____ to Budget Period _____

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
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<td>Fringe</td>
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<tr>
<td>Personnel</td>
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<td>$</td>
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<tr>
<td>Equipment</td>
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<td>Supplies</td>
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<td>Travel</td>
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<tr>
<td>Other</td>
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<tr>
<td>Consortium Cost</td>
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<td>Total Direct Costs</td>
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<td>Indirect Cost</td>
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<tr>
<td><strong>TOTAL</strong></td>
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</tbody>
</table>

**Formulas**

**Justification/Explanation**
Reasons why Carryover Requests are Rejected:

- The prior year Federal Financial Report (FFR) must be received and approved by NIH first.
- The request was not signed by an authorized institutional signing official.
- Requested costs appear to duplicate costs in the current year’s award (e.g. extra salary for someone already at 12 months of effort).
- All carryover funds must be spent in the budget period they are requested (so get your requests in early!)
- Carryover funds must be within the currently approved scope of the grant.
- Carryover requests should only reflect immediate needs (therefore, try to avoid salary for “TBN” positions).
Closeout : Final Reports

Grantees are strongly encouraged to submit closeout documents electronically through the eRA Commons!

- Failure to submit timely reports may affect future funding to the organization;
- Documents are due within 90 days of project period end date:
  - Final Federal Financial Report (FFR) SF-425 Expenditure Data (submitted through eRA Commons);
  - Final Inventions Statement & Certification;
  - Final Progress Report;
- Grantees must ensure there are no discrepancies between the final FFR expenditure data (in eRA Commons) and the FFR cash transaction data in the Payment Management System.
Closeout : NIH Centralized Processing Center

• Centralized office accepts receipt of all non-financial, paper-based closeout documents;
  – Final Progress Report;
  – Final Invention Statement and Certification.

• If not using eRA Commons Closeout Module, mail closeout documents to the Central NIH unit at:

  NIH Centralized Processing Center
  6705 Rockledge Drive, Room 2207, MSC 7987
  Bethesda, MD 20892-7987 (for regular or US Postal Service Express mail)
  Bethesda, MD 20817 (for other courier/express mail only)
Audit Requirements

All NIH Grantees that expend $500,000 or more within a year in Federal awards are subject to an audit requirement.

- Audits are due within the earlier of 30 days after receipt of the auditor’s report(s) or 9 months after the end of the grantee’s audit period.

- Grantees delinquent in submitting audits risk the imposition of sanctions and potential loss of Federal funds.
<table>
<thead>
<tr>
<th>Grantee Type</th>
<th>Source of Audit Requirement</th>
<th>Where to Submit Audit Reports</th>
</tr>
</thead>
</table>
| State & Local Governments | OMB Circular A-133  
45 CFR Part 74.26                                              | Online to:  
http://harvester.census.gov/fac/collect/ddeindex.html  
Questions:  
1-800-253-0696 |
| Colleges & Universities   | 45 CFR Part 74.26 (d)                                             | HHS Office of Inspector General  
HHS Office of Audit Services  
National External Audit Review Center  
1100 Walnut Street, Suite 850  
Kansas City, MO 64106-2197  
Phone: 800-732-0679/816-426-7720 |
| Non-Profits          |                                                                  | (same as For-Profits)                                              |
| Hospitals            |                                                                  |                                                                   |
| For-Profits          | 45 CFR Part 74.26 (d)                                             |                                                                   |
| Foreign              | NIH GPS, uses  
45 CFR Part 74.26(d)                                           |                                                                   |
Questions?