

Federal Regulations Updates

Semi-Annual Networking Event
June 2018

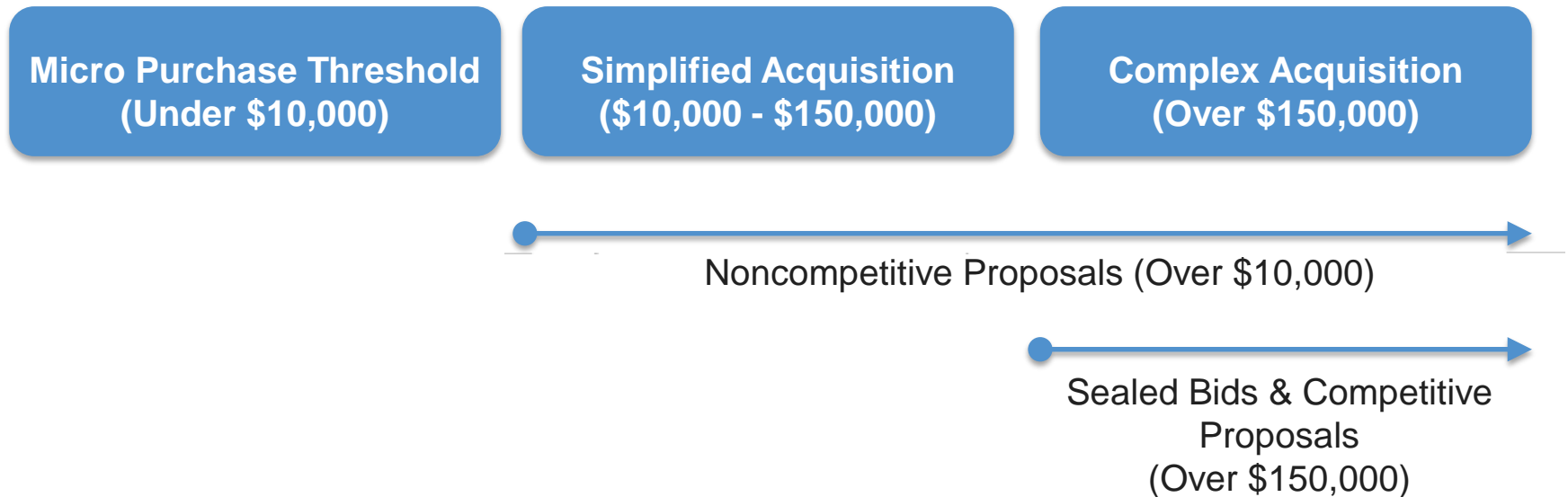
Mike Daniels, Executive Director for Research Financial Operations

Agenda

- i. Uniform Guidance Standards for Procurement
- ii. Appointments for Stipends and Salaries
- iii. Questions

Uniform Guidance Standards for Procurement

Uniform Guidance Standards for Procurement



Micro Purchase Threshold

Micro-purchases may be awarded without soliciting competitive quotations if the price is considered reasonable. The standard also requires that purchases be distributed equally among qualified suppliers to the extent practical.

Simplified Acquisition

Simple and informal procurements for services, supplies, or other property that are above the micro-purchase amount. Grantees are required to receive quotations from an adequate number of sources.

This method, also called a 'no-bid' contract or sole-source procurement, applies in very specific situations that eliminates the need for competition in your solicitation process. Noncompetitive proposals apply (practically) to any procurement above the micro-purchase threshold and are used when there is adequate “justification for other than full and open competition.” This can occur when one or more of the following criteria are met:

- the good/service is only available from a single source,
- the grantee needs to meet a public exigency or emergency,
- the Federal awarding agency has provided prior authorization, or
- after soliciting a number of sources, the grantee determines there is inadequate competition

The government's preferred procurement method for construction (when certain conditions apply), and for goods/services where price will be the main consideration for selecting the winning bidder. If sealed bids are used, the guidance outlines five explicit requirements to follow including:

- bids must be solicited from an adequate number of known suppliers and

- Overall goal: increase re-use of existing equipment and supplies, increase competition when purchasing equipment and supplies, and minimize sole sources. Policy, procedure, websites, and all related forms will be updated accordingly
- Purchases must be reasonable, allocable, and allowable
- **Multiple bids must be solicited by departments and schools for purchases over \$10,000 when sponsored funds are being used, unless the product/service is purchased from a Preferred Vendor**
 - **A Bid Documentation Form or Sole Source Form must be attached to the requisition. A cost transfer for equipment and purchases over \$10,000 from non-sponsored to sponsored chart strings must also have the 3 bids or Sole Source Form attached**
- Current policy of requiring bids for purchases over \$25,000 will stay in place when non-sponsored funds are

Appointments for Stipends and Salaries

Stipends

Allowable as cost-of-living allowances for trainees and fellows only under Kirschstein-NRSA individual fellowships and institutional research training grants. **A stipend is not a fee-for-service payment and is not subject to the cost accounting requirements of the cost principles. Stipends are not allowable under research grants even when they appear to benefit the research project.** These payments are made according to a pre-established schedule based on the individual's experience and level of training.

Northwestern Example: Fellowship Stipends using expense account code 78050

Salaries and Wages

Allowable. Compensation for personal services covers all amounts, including fringe

Supplementation of Stipends, Compensation, and Other Income

Compensation

"Funds characterized as compensation may be paid to fellows only when **there is an employer-employee relationship, the payments are for services rendered...**".

The relationship must be limited in time spent performing duties, in that such additional duties related to the compensation do not interfere with the trainee's main activities.

Stipend Supplementation

Kirschstein-NRSA fellows receive stipends to defray living expenses. Stipends may be supplemented by an institution from **non-Federal funds provided this supplementation is without any additional obligation to the fellow. Federal funds may not be used for stipend supplementation unless specifically authorized under the terms of the program from which funds are derived.** "Recipients of Kirschstein-NRSA individual fellowships are not considered to be in an employee-employer relationship with NIH or the sponsoring institution solely as a result of the Kirschstein-NRSA award."

Stipend and Salary Appointments and Charging Sponsored Projects

Fellowship Appointment (account code 78050)

- Student is funded directly on a training grant or federal funds that stipulate stipend payments, e.g. NIH NRSA funding
-

Stipend and Salary Appointments and Charging Sponsored Projects

Example - Salary to Stipend:

Post doc is working on a research grant thru May 31, 2018. He is to start on a training grant on June 1, 2018. The appointment must remain a salary position through May 31, then be carefully updated to a stipend appointment before June payroll is finalized and posted. Timeliness is the key. Failing to make the appointment update may disallow the charge on the training grant and a department non-sponsored chart string may be responsible for the cost.

Example - Stipend to Salary:

Post doc is on a fellowship that ends May 31, 2018, and her faculty mentor wants her to work on a research grant. The appointment & funding must be carefully updated from a stipend appointment / expense account code to a salary appointment / expense account code in time for the June payroll to post correctly on the research grant.

Helpful Links

- NIH Policy Notices:
<http://grants.nih.gov/policy/notices.htm>
- NIH Grants Policy Statement: Ruth L. Kirschstein Institutional Research Training Grants – Section 11.3:
http://grants.nih.gov/grants/policy/nihgps/HTML5/section_11/11.3_institutional_research_training_grants.htm
- Allowable and Unallowable Costs -Section 11.3.8:
http://grants.nih.gov/grants/policy/nihgps/HTML5/section_11/11.3_institutional_research_training_grants.htm#Allowabl
- NRSA program information:
<https://researchtraining.nih.gov/programs/training-grants>
- myHR (formerly Faculty and Staff information Systems - FASIS) Procedures - Post Doc, Student & Research Appointments
<https://www.northwestern.edu/hr/managers-administrators/myhr-administration/documentation/process-guides/Appts-Postdoctoral-Student-ResearchVisitor.pdf>

Thank You