

Federal Demonstration
Partnership Update
National Council of University
Research Administrators
November 1, 2004

Moderator: Julie Norris, Massachusetts Institute of
Technology
Chair, Federal Demonstration Partnership

Panelists

- **Joanna Rom**, Deputy Director for Planning, Coordination and Analysis, Office of Budget, Finance and Award Management, National Science Foundation - Co-Chair, FDP Membership Standing Committee
- **Debbie Rafi**, Director, Indirect Cost Branch, Office of Naval Research - Co-Chair FDP Administrative Process Standing Committee
- **Steve Dowdy**, Assistant Director, Office of Sponsored Programs, Massachusetts Institute of Technology – Co-Chair FDP Electronic Research Administration Standing Committee

Introduction

The Federal Demonstration Project is one of a very small number of effective programs to improve government processes. It has produced the defining models for 'e-government,' and saved countless hours of time for us bureaucrats as well as for principal investigators. Each consecutive phase has brought a new set of initiatives and accomplishments that merit much wider recognition.

John Marburger, Director
OSTP, September 2002

The FDP Is ...



- A formal collaboration between federal agencies and research institutions
 - To reduce administrative burden while providing streamlined, efficient, and effective ways to interact between the higher education community and the federal government
- A place where federal agencies and institutions can evaluate new ideas relative to research administration
- A forum to discuss and evaluate options for reducing administrative burden
- A test bed for demonstrations

History



- Phase I (Florida Demonstration Project)
 - 1986 - 1988
- Phase II (Federal Demonstration Project)
 - 1988 - 1996
 - 21 institutions/consortia & 11 federal agencies
- Phase III (Federal Demonstration Partnership)
 - 1996 - 2002
 - 65 institutions & 11 federal agencies & 6 affiliate members
- Phase IV (Federal Demonstration Partnership)
 - 2002 - 2008
 - 96 institutions & 10 federal agencies & 3 affiliate members

FDP Phase I and II Accomplishments



- Implemented (mostly) common, streamlined terms and conditions for research grants
- Increased budget flexibility
- No cost time extensions
- Pre-award costs
- Carry-forward across continuation years
- Technical progress reports / minimal continuation proposals
- Revised OMB A-110

Highlights of Phase III



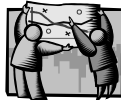
- Renewing the Government-University Partnership
- Electronic Research Administration
- Cost Sharing and Effort Reporting
- Award Terms and Conditions
- Contracts and Subawards

Phase IV (2002-2008) Goals



- Increase the participation of minority serving institutions and emerging research institutions
- Encourage a wider range of government and university participants
- Continue the focus of faculty activities in order to be more closely interwoven into the fabric of the FDP
- Increase the involvement of federal auditors and costing officials

Phase IV Focus



- Identify opportunities to make administrative requirements simpler and less costly without compromising stewardship
- Examine improvements to electronic research administration processes
- Increase the focus on faculty-initiated activities.

Award Terms and Conditions

- FDP Terms and Conditions continues to be the foundation of FDP activities
- FDP Terms and Conditions replaced multitude of agency-specific guidelines
 - Shows minimal variation in agency requirements
 - Provides first-ever compilation of statutory requirements related to the conduct of research
- Model for PL 106-107 Pre-Award Committee



Faculty Initiatives



- Administrative Burden Survey
- Clerical support as direct charge to grants
- Homeland Security – VISAs and Select Agents
- On-Line Peer Review

FDP Membership

Joanna Rom
Co-Chair, FDP Membership
Standing Committee

Phase IV Membership

- Expanded traditional membership responsibilities
 - Membership practices and policies
 - Participation of Emerging Research Institutions (ERI)
 - Expanding Federal Agency membership
- Full institutional membership closed until 2008
 - ERI, Federal Agency and Affiliate organization membership still open

What is an ERI?

- Emerging Research Institution (ERI) is an educational institution, often undergraduate oriented, with a small but growing research enterprise
- Phase IV introduced the concept of ERI membership for inclusiveness and to prevent barriers; created to include many minority serving institutions (including most HBCU's)

FDP ERI Eligibility

- Emerging Research Institution (ERI) Participation:
 - Institutions whose annual federally supported research & development expenditures are less than \$15,000,000 [as shown in the research and development column of 'Federal obligations for science and engineering (S&E) to universities and colleges, by State, institution, and type of activity: fiscal year 2000'
 - <<http://www.nsf.gov/sbe/srs/nsf02319/pdf/fssb15.pdf>>]

Why does FDP want ERI Participation?

- Broaden representation in dialogue
 - Increase minority serving institution representation
- Be attuned to special concerns of smaller institutions
 - Impact of federal policy requirements
 - Impact of Electronic Research Administration operational requirements
 - Voice for schools with limited resources
 - Complements other mentorship opportunities

ERI Members

- Dues are waived
- May have a smaller delegation than larger schools
- Still get same Terms & Conditions
- Current ERI Members
 - Bradley University
 - Florida A&M University
 - Morgan State University
 - Rhode Island College
 - Rowan University
 - University of the District of Columbia

**FDP Administrative Process
Activities**

Debbie Rafi
Co-Chair, FDP Administrative
Process Standing Committee

Administrative Activities



- Burden Reduction Activities (IRAB)
 - Sub-Recipient Monitoring
 - Payroll Certification
 - Allocation of Space Costs
 - Financial Reporting
- Basic Assistance Grants
- Expanding the Expanded Authorities
- Sub-Recipient Agreements
- Contracts

**Background: Initiative to Reduce
Administrative Burdens (IRAB)**

- Expands FDP role in PL 106-107 activities beyond eRA to include pre-award, post-award and audit
- Continues the work of the FDP Effort Reporting Task Force
- Identify burdensome administrative requirements in A-21, A-110, A-133, etc. that present opportunities for streamlining and simplification (or elimination)

Initiative to Reduce Administrative Burdens (IRAB)

- Development, testing and evaluation of new methods:
 - Develop simpler methods
 - Demonstrate the feasibility of new methods
 - Estimate potential cost savings
 - Assess impact on F&A rates
- Recommend elimination of ineffectual or unnecessary administrative requirements

Initiative to Reduce Administrative Burdens (IRAB)

- Serve as resource for Federal Workgroups (Pre-Award, Post-Award and Audit)
 - Develop FDP responses to Federal proposals
 - Facilitate individual institutional responses
 - Provide ideas and data analysis, model impact of Federal proposals
- Raise awareness of problems caused by administrative cap/institutions increasing cost of compliance

Sub-Recipient Monitoring

- Core group meets to define the problem
 - Many, many subrecipients to monitor
 - Many do not fall under A-133 threshold; others are located in foreign countries
 - Some are for-profit entities (not subject to A-133)
 - Most of the dollars to subs go to each other (top 100 research universities)
 - We all have an A-133 audit

Issues



- OMB Circular A-133 language and Compliance Supplement provide guidance to auditors
 - That we make site visits to our subrecipients as one form of “monitoring”
 - That we provide written notification to the pass through entity that a subrecipient audit was conducted

Proposed Demonstration

- To demonstrate that the requirements of OMB Circular A-133 paragraph .320(e)(2) can be achieved by using the Single Audit Clearinghouse (SAC) website to determine
 - if a subrecipient has completed an audit in accordance with the requirements of A-133, and
 - the schedule of findings and questioned costs disclosed no audit finding relating to the Federal awards the prime entity passed through to the subrecipient
- OMB agrees to include in March 2004 Compliance Supplement a statement that will accept use of the SAC Website as a means of satisfying the requirement of paragraph .320(e)(2)



FDP – IRAB Allocation of Space Costs

- Goal – Find allocation method(s) that are:
 - Simpler to administer
 - More equitable
 - More efficient
 - “Budget neutral”
- Method(s) must meet needs of grantee community and of the federal government

Payroll Certification

- OMB Circular A-21 requires confirmation, after the fact, that sponsored programs payroll changes are commensurate with effort provided
- Working group is examining ways to simplify the regulations and find effective and effective means to assure that distribution of salaries and wages to sponsored agreements is appropriate.

Payroll Certification

- Survey payroll certification practices at FDP institutions
- Identify current issues with section J.8 of OMB Circular A-21
- Develop whitepaper with a set of core payroll certification principles
- Conducted 2 day workshop in August 2004
- Present proposed demonstration at January FDP meeting

Financial Reporting

- Goal: Standardize federal financial reporting requirements (frequency and formats)
- Demonstration Proposal: Explore the feasibility of extending the due date of Financial Status Reports (FSR) from 90 days to 120 days after project expiration
 - Assumption was that the increase in subawards was causing the delay
 - August 2004 – Survey conducted to evaluate proposed demonstration (7/16 institutions responded)
 - Survey proved assumption was incorrect

Financial Reporting (Cont.)

- Next Steps
 - Survey 16 institutions to determine cause of late submissions for Financial Status Reports (FSR) without subawards
 - Work with NIH to determine feasibility of eliminating FSR for grants under expanded authorities by using the quarterly reconciliation of FCTR
 - Determine feasibility of FSR's only on certain awards - those requiring carryover approval
 - Co-chairs will work on another approach to demonstration
- PL 106-107 Post Award Working Group on Single Federal Financial Report (FFR)
 - Working group revising A-110 and A-102 to match new FFR requirements per OMB request
 - Revised portions will be forwarded to OMB for final approval

Subawards

- Charge:
 - Develop model subaward language for FDP-FDP subawards and FDP-NonFDP subawards
 - Explore the ways to use ERA for making subawards
 - Present to ONR a position statement regarding subawards vs. procurement actions
- Subawards Demonstration Project
 - Have “declared victory” on initial demonstration
 - Testing “unilateral award” concept in Phase IV
- Office of Science and Technology Policy (OSTP) and OMB endorsing use of FDP subaward templates to all non-FDP institutions

FDP Electronic Research Administration

Steve Dowdy
Co-Chair, FDP Electronic
Research Standing Committee

ERA Activities

- Core Principles
- Outreach and Communication
- Administrative Infrastructure
- Research Life-cycle

Active involvement with Grants.gov

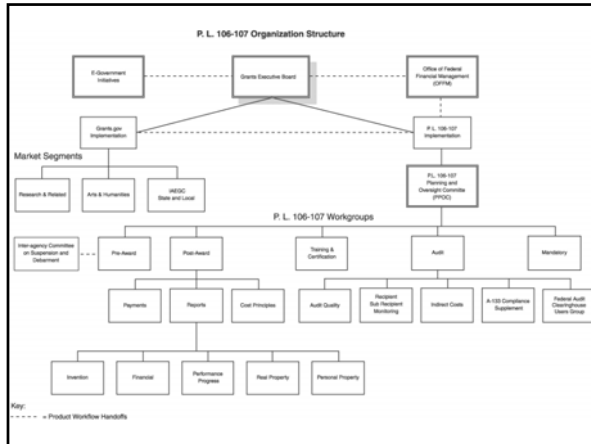
ERA Committee Core Principles

- A common set of electronic procedures, processes, principles and data elements for research grants across all federal granting agencies
 - 11 Core Principles for ERA
- Expanding the Core Principals

ERA Committee Outreach and Communication

- P.L.106-107
- Grants.gov
- OMB
- Research Business Models
- Line of Business

Focus on Policy Issues



ERA Committee Research Life-cycle

- E-Government Activity
 - Notice of Grant Award (NGA)
 - Reporting
 - Interdependency
- Post-Award System Proliferation
 - Identify the touch points for faculty

ERA Committee Administrative Infrastructure

- E-Authentication
- Authorizations
- Security
- Roles
- Profiles
- PKI
 - Central Contractor Registry (CCR) Expansion

Contact Information



- Join us at the FDP meetings
 - January 13-14, 2005 Las Vegas, NV
 - May 23-24, 2005 Washington DC
 - September 19-20, 2005 Washington DC
- Visit our web site thefdp.org

Questions / Comments ?
