

U.S. Federal Awards FACT SHEET

If you are the recipient of a U.S. federally funded award, you are expected to adhere to specific compliance requirements.

U.S. federally funded awards include all awards received directly from U.S. government agencies (including NIH, NSF, and DoE), as well as all funding from U.S. government agencies which is passed on through intermediate entities (e.g. NIH funding passed on by the University of Washington).

The bulk of these guidelines can be found in [2 CFR 200](#) (also referred to as "Uniform Guidance").

For NIH policies that cover eligibility of expenditures, audit requirements, administrative requirements, etc., please review the [NIH Grants Policy Statement](#).

1. Annual Audit: Your award will be subject to an annual audit in accordance with [Subpart F of 2 CFR 200](#) (for all grants unrelated to the US Department of Health and Human Services, DHHS), and / or [Subpart F of 45 CFR 75](#) (for all grants issued by the US DHHS, including all NIH grants). The US CFR (or Code of Federal Regulations) is the U.S. government's primary policy and operations manual, and as recipients of US government funding, the terms and conditions contained in these documents are flowed down via the Notices of Award. These "Uniform Guidance" audits follow U.S. guidelines and are more stringent than Canadian audits on grants. External auditors paid for by the University will perform these audits. In addition, Research Finance (RF) will carry out spot audits throughout the year.

2. Time and Effort Reporting: The Uniform Guidance no longer requires time and effort reporting, but there is an expectation that salary expenses charged to the US federally funded grants reflect the time and effort expended by individuals working for the grant. Please ensure a review of salary charges is done from time to time throughout the year to ensure time and effort is captured appropriately. If an employee does not spend time on the research project equal or more than percentage of their time charged to the Grant worktag (GR), a Cost Allocation should be sent to payroll to reconcile the cost to the GR in accordance with time spent on the work. The external auditors will also test this area.

NIH Grants - There is also a salary cap requirement to adhere to. The base salary (ie. if a person were to be charged at 100% effort to a grant) cannot exceed the US federal government's "Executive Level II" salary - this figure is in USD and is adjusted every year by the US federal government, but the historical and current limits can be found at: https://grants.nih.gov/grants/policy/salcap_summary.htm along with links to guidance documents outlining the announcements relevant to each year's cap.

3. Equipment Inventory: Any equipment purchased with U.S. federal funds needs to be tracked and itemized. Equipment records shall be maintained accurately and shall include the following information:

- (i) A description of the equipment.
- (ii) Manufacturer's serial number, model number, Federal stock number, national stock number, and/or other identification numbers.
- (iii) Source of funding for the equipment, including the "Federal Award Identification Number".
- (iv) Whether title vests in the Institution or the US Federal Government.

- (v) Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost of the item.
- (vi) Information from which one can calculate the percentage of US Federal participation in the cost of the equipment (not applicable to equipment furnished by the US Federal Government).
- (vii) Location, use, and condition of the equipment and the date the information was reported.
- (viii) Unit acquisition cost.
- (ix) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal awarding agency for its share.

(from [2 CFR 200.313](#) and [45 CFR 75.320](#))

Physical counts will be conducted by the PI's Department every two years and compared to the equipment listing. RF will also conduct periodic confirmation of equipment purchases with the researcher. No assets may be given away, re-sold, or disposed of without obtaining proper independent confirmation of the resale value, and payment of this resale value. Failing to keep an asset available for inspection constitutes misuse of sponsor funds. Please also note that the University's policies on Ownership ([Policy UP5](#)) and Disposal of Surplus Equipment and Materials ([Policy UP3](#)) also apply.

4. Extensions: U.S. federal funds that are unspent at the award end date must be returned to the sponsor. RF will monitor and contact researchers as end dates approach, but it remains the researcher's responsibility to cease spending, or to request an extension where required. NIH offers a maximum extension of up to one year after the expiry of your grant term provided that this is requested prior to the end date; please contact Office of Research Services (ORS) to exercise this request for extension.

For any directly funded U.S. federal awards that are governed by a contract or an agreement, please contact the University-Industry Liaison Office (UILO) to seek an extension. For indirectly funded awards (e.g. funding from another university, also referred to as the "Pass-Through Entity", or PTE), an extension should be requested from the PTE, and confirmation of the extension date should be sent to UILO. A new Research Project Budget will be issued to extend the end-date if the extension is approved.

So that over-expenditures are not assumed, in accordance with UBC Policy FM4 Section 1.5, "Where a Researcher anticipates a renewal or other source of funding beyond the designated 'end date' of the [Workday Grant worktag], the Researcher shall notify [RF and their representative from the ORS or the UILO] prior to such end date." The researcher and their unit will bear the responsibility for any over-expenditures or costs arising when an extension is not applied for or granted.

5. Eligible expenses: A background regarding cost considerations for NIH grants can be found in Section 7 of the NIH Grants Policy Statement - a chart showing a select list of expense examples is provided near the end; other US Federal agencies also have their own guidelines regarding expense eligibility. Additional cost considerations can be found in Subpart E of Uniform Guidance. In addition, the individual award agreement may define specific areas of ineligible expenditure. It is the researcher's responsibility to ensure that all expenses charged to the grant account are eligible according to the funding agency's relevant policies.

6. EPLS: US Federal monies are not allowed to be spent on vendors named in the Excluded Parties List System (EPLS). Researchers are to consult this list whenever they are dealing with new vendors to verify that the vendor is not on the list. The EPLS can be found at <https://www.sam.gov/portal/public/SAM/> under "[Data Services](#)".

7. Cost transfers: Journal transfers of costs into U.S. federally funded PGs from other Workday worktags must identify the original invoice or expense source, and the expenses in question must be related to the research in the U.S. federally funded GR worktag. Transfers to correct clerical/bookkeeping errors must be completed within 90 days of discovery of the error, and be supported by documentation as to how the error occurred, with certification that the move is final and correct. Entries to simply transfer a deficit balance from another GR worktag are not permitted. More info is available under [Section 7.5 of the NIH Grants Policy Statement](#).

8. Overhead: All overhead is recovered by the University, where a portion is returned to the faculty and/or facility where the Research GR worktag resides. The ORS website provides information for researchers including the specific amounts of overhead required.

Please refer to this prior to submitting your award applications or statements of work (with budget proposals) at: <https://ors.ubc.ca/proposal-development/ubc-policy-indirect-costs-research>

Unless specifically requested, researchers should include appropriate overhead in their charge-out rates, their project costs, etc. In the case of NIH budgets, all budgets should state UBC's 8% Facilities and Administrative (F&A) Costs as a separate line item. This is always the case, even when UBC is not the lead institution. For more information on NIH F&A Costs, please refer to the [NIH Grants Policy Statement, Section 7.4](#). For non-NIH grants funded by the US government, our negotiated F&A rates would apply.

9. Research Performance Progress Report (RPPR): NIH requires use of the RPPR module in eRA Commons to submit ALL annual progress reports.

More information is available at <https://grants.nih.gov/grants/rppr/index.htm>

Non-NIH US federal sponsors may have their own progress reporting requirements; please refer to the terms and conditions of the agreement to determine what progress reporting is required for your grant.

10. Closeout: Timely closeout of any US federally funded grant is a required process, and closeout normally needs to be completed within 120 days for a primary grantholder (90 days if you are a subrecipient). More information - including requirements - can be found at [2 CFR 200.344](#), or in the [NIH Grants Policy Statement Section 8.6](#) for grants funded by NIH.

11. NIH Public Access Policy: NIH requires that articles supported by NIH-funded research be included in PubMed Central, the NIH digital archive of full-text, peer-reviewed journal articles. Its content is publicly accessible, free, and integrated with other databases. Please visit the NIH Public Access Policy in the [NIH Grants Policy Statement Section 8.2.2](#) for more information.