

University of California
Office of the President

Senior Vice President—
Business and Finance

Research Administration Office

Memo

Operating Guidance

No. 04 - 01
March 31, 2004

CONTRACT AND GRANT OFFICERS

Subject: Federal Demonstration Partnership Phase IV – Revised Prior Approval Matrix 4/04

The Federal Demonstration Partnership has revised its "Prior Approval and Other Requirements Matrix" as of April, 2004. [<http://www.nsf.gov/pubs/fdp/fdpmatrix.xls> or http://www.nsf.gov/home/grants/grants_fdp.htm] A table of the April 2004 Prior Approval Requirements is attached to this Memo. The changes are summarized below.

Summary of Changes:

General Requirements:

Subaward of "significant part": Footnote 2. under NIH is changed to: "Waived unless change in scope or when subawardee is foreign" which adds "change in scope of work" to NIH prior approval requirement for subawards.

Initial no-cost extension changed to read: "Initial no-cost extension of up to 12 months (per competitive segment)" and DOE changed to "Waived."

Carry-forward of unexpended balances: DOE changed to "Waived." The new footnote 7. under NIH reads: "Waived except when award indicates prior approval is required" rather than requiring NIH prior approval for carry forward greater than 25%.

Cost-related Requirements:

Rebudgeting among budget categories:

NIH has changed to "Waived unless change in scope." The new footnote 8. reads: "Waived unless change in scope" from NIH prior approval requirement for rebudgeting more than 25%.

Rebudgeting between direct and F&A costs:

NIH has changed to "Waived unless change in scope." The new footnote 8. reads: "Waived unless change in scope" from NIH prior approval requirement for rebudgeting more than 25%.

Rebudgeting of funds allotted for training:

NIH has changed to "Waived except for Kirschstein-NSRA grants." A new footnote 9 reads: "Waived except for Kirschstein-NSRA grants."

Equipment not in approved budget:

NIH has changed to "Waived unless change in scope."

Foreign travel:

EPA has changed to "Prior approval required."

Restrictions on costs not explicitly unallowable:

NSF has changed to "Prior approval required to modify the amount of cost sharing reflected in Line M of the award budget." (New footnote 15.) Footnote 14. under NIH is revised to add: "if change on scope" to now state: "Prior approval required for patient care costs if change in scope."

Project Management Requirements:

Use of sponsor budget forms:

NSF has changed to: "Must be submitted electronically via the NSF FastLane system at <https://www.fastlane.nsf.gov>." (A new footnote 20.)

USDA has changed to "Not required" from "Required."

FDP Agency-Specific Terms and Conditions:

Two FDP member agencies have modified their agency-specific terms and conditions since their previous publication in October, 2002. National Institutes of Health (NIH) agency-specific terms and conditions were modified in May, 2003. NASA agency-specific terms and conditions were modified in October, 2003. However, both agencies have indicated that these changes are corrections or clarifications and can, therefore, apply to current FDP grants.

Agency changes are summarized below:

NASA: <http://www.nsf.gov/pubs/fdp/nasa03.pdf>

Article 1 - Modified to include education and training grants.

Article 17 (b) "The Recipient will observe property standards and provisions set forth in §§ 1260.131 through 1260.137" is deleted. Property standards are already covered in the FDP implementation of OMB Circular A-110, Sections 31 through 37.

National Institutes of Health: <http://www.nsf.gov/pubs/fdp/nih03.pdf>

Article I. B. - Adds SNAP explanation.

Article II. A. - Modified to reflect current implementation of carryover authority.

Deleted paragraph in this section regarding patient care costs since this is covered under "Change in Scope" in "Prior Approval Matrix."

Deleted "NIH will review carryforward estimates that exceed 25% of the total award."


Deleted paragraph on "allowability of direct costs" as duplicative of next article.

Article III. Renamed to "Allowable Direct Costs...."

Article IX. - Adds links to various sections of the *NIH Grants Policy Statement*.

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Attachments

Cc: Extramural Accounting Managers