

Change in NIH & NSF Reporting Requirements/Requesting payment of funds— latest revision 10/20/2014

Latest NIH UPDATE 07/11/14 – <http://grants.nih.gov/grants/guide/notice-files/NOT-OD-14-103.html>

Why???

This is in response to a U.S. Department of Health and Human Services (HHS) directive to Agencies intended to enhance financial data integrity and financial closeout for all awards. The goal of this policy is to better align HHS with transparency directives while strengthening the accountability for grant-related financial transactions. See Notice Number: [NOT-OD-13-120](#) for more information

What??? Are subaccounts?

Currently we process weekly drawdowns funds from a “pooled” account 0000G (**GC award prefix**), this means that we drawdown cash using one account number for a lump sum payment, say 7 million dollars. We are moving to a “subaccount” system, account 0000P (**GB award prefix**), this means that we will now drawdown cash for every G award that is spending that 7 million dollars, yes this is hundreds of accounts.

When??

NIH will continue transitioning payment for all domestic awards with new document numbers from PMS pooled accounts (G accounts) to PMS subaccounts (P subaccounts) between October 1, 2013 and September 30, 2016. The payment for all new (competing) NIH domestic awards made with FY14 and FY15 funds will use PMS P subaccounts. **The latest deadline transition date to remember is October 1, 2015.**

For continuing awards that have not yet transitioned to subaccounts, grants **issued prior to October 1, 2015**, will use the G account until the FY16 award is issued. Once the FY16 award is issued, those FY16 awards will use the P subaccount and the grantee will submit an FFR for the FY15 award. Some examples of awards that will remain in the pooled accounts, multi-year funded awards made prior to October 1, 2013 (e.g., DP3, C06) and awards in a no-cost extension made prior to October 1, 2015.

How???

For continuing awards that have not yet transitioned to subaccounts, grants issued prior to October 1, 2015, will use the G account until the FY16 award is issued. Once the FY16 awards is issued, those FY16 awards will use the P subaccount and the grantee will submit an FFR for the FY15 award.

For continuing domestic awards issued in FY16 (awards issued after October 1, 2015) the competitive segment will become two mini “competitive segments”:

- the first segment begins at the budget period start date of the current competitive segment and ends at budget period end date of the FY15 award and
- the second segment begins with the budget period start date of the FY16 award and ends with the project period end date on that award.

NIH is using type 4s as a technical solution to separately track obligations and payments for awards that are transitioning to PMS subaccounts during FY13, FY14, FY15 and FY16. The document number for the type 4 will increase by one letter (e.g., once the type 4 is issued, a document number of RCA123456A would become RCA123456B). The use of the Type 4 for this special purpose, is a one-time transition use to accomplish this move to subaccounts.

What??? Does this mean for OSP financial reporting?

OSP will be filing a new “Subaccount Transitional FFR” for the “administratively shortened” competitive segment for any SNAP award that usually does NOT require an FFR, such as an R01. (There are over 250)

For continuing awards under SNAP to domestic institutions that had not yet transitioned to subaccounts, grantees will need to submit a Subaccount Transitional FFR covering awards from FY15 and earlier (i.e., awards issued prior to October 1, 2015).

For SNAP awards to a domestic institution issued as a non-competing continuation award in FY16 for awards that have not yet transitioned to subaccounts, the grantee will submit two FFRs:

1. 1) the first, a Subaccount Transitional FFR, covering the period from the start of the competitive segment until the start of the Type 4

- 2) the second covering the funding period from the start of the Type 4 award through the end of the competitive segment. If there was an unobligated balance from the previous award, it must be entered in the field entitled “Unexpended Balance From Prior Project Period” at the top of the FFR.

Picture is worth a thousand words.....maybe ☺

Change_Pooled_Accts_Subacccts_Domestic_Awards_FY16-1.pdf - Adobe Acrobat Pro

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Accommodating Transition of Domestic Awards to PMS Subaccounts: Changes to Continuing Awards in FY16

FY	Award Record	Budget Period End Date	Project Period End Date
13	1R01CA123456-01	7-31-14	7-31-18
14	5R01CA123456-02	7-31-15	7-31-18
15	5R01CA123456-03	7-31-16	7-31-18
16	4R01CA123456-04	7-31-17	7-31-18
17	5R01CA123456-05	7-31-18	7-31-18

Paid via PMS "G" (pooled) accounts.

Paid through PMS using "P" subaccount, which requires quarterly cash report.

When the FY16 year award is issued, the project period end date is changed to match budget period end date. This makes the FFR expenditure data for this year the final FFR expenditure data and allows NIH to close the accounting record in the old system. Final Invention Statement and Final Progress Report not required at this time.

Note: Fellowships do not require FFR expenditure data reporting.

Progress report submitted and reviewed as a type 5. At time of release of the FY16 award, system converts the type 5 to a **type 4** and increases document number.

Closeout of original competitive segment (years 1-5) within 90 days after end of the last budget period.

July 15, 2014

MORE IMPORTANT THINGS TO NOTE:

1. Getting Paid --- PMS will hold payment requests for funds in subaccounts for awards that are 90 days or more beyond the project period end date – MEANING WE MAY NOT GET PAID ☹

Why did PMS implement this grant expiration process?

This functionality was developed to assist agencies and recipients in the timely closeout of grants after their performance periods have expired. When a federal grant expires, recipients can only use remaining grant funds to liquidate expenses incurred during the performance period. Federal grant management policy specifies that within 90 days of the performance period end date the grant recipient must submit its final financial report for the grant, unless the awarding agency extends the performance period end date or the reporting period due date. THIS IS NOT A NEW REQUIREMENT, IT IS JUST NOW BEING ENFORCED.

Also means...

- Sponsor Closeouts now must be done timely and are critical
- Recons must be done accurately and on time EACH month
- OSP will be tightening the close date down on awards
- **Brave new world -- when a project end date expires the grant is dead!**

2. Progress reports --- The change in type and the change in document number do not affect the due date or submission process of the progress report.

3. Carryover

NIH is not changing the carryover authority for domestic awards.

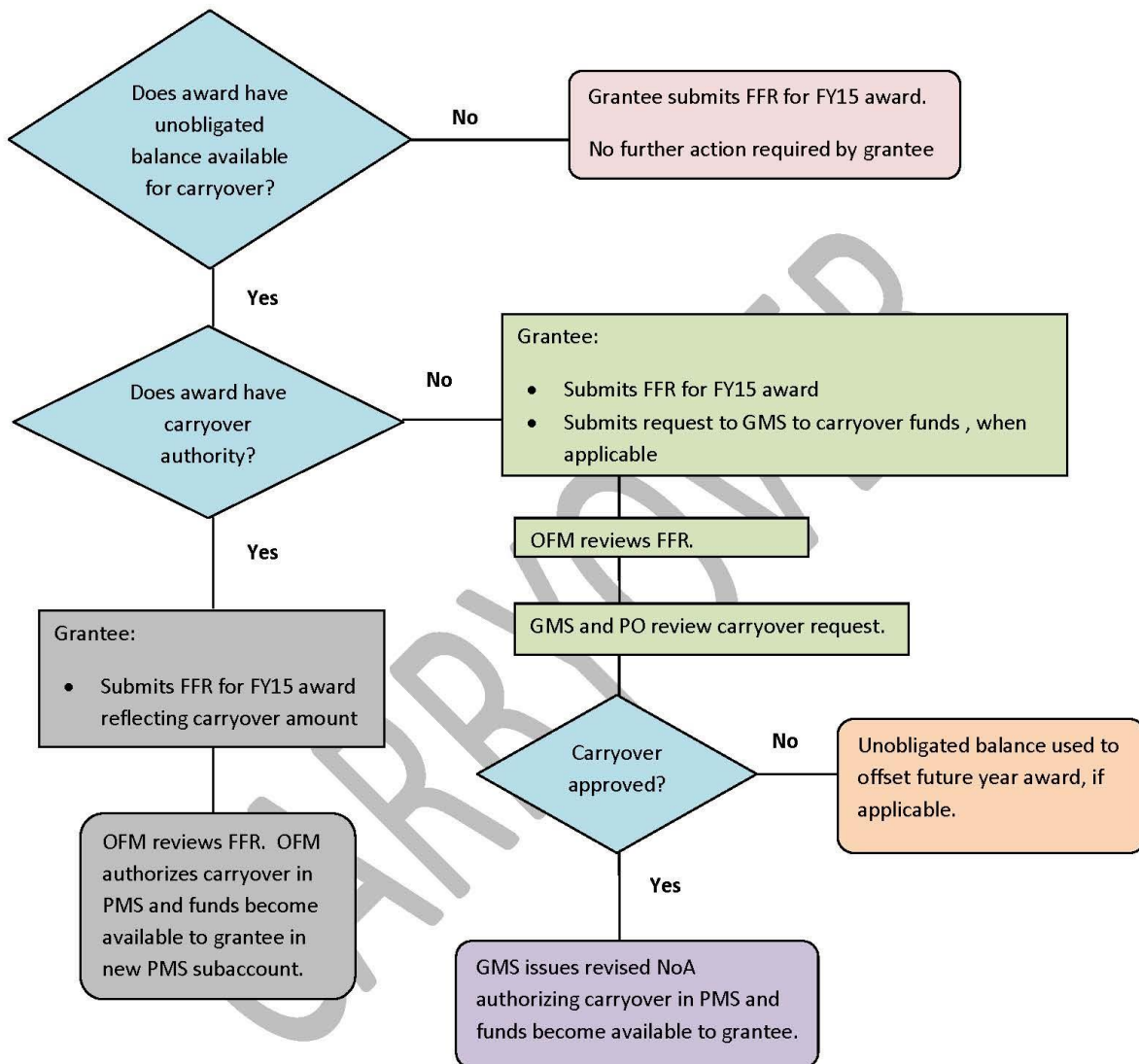
NIH is transitioning from pooled accounting to subaccounting beginning FY14 through- FY16, which necessitates that domestic grantees report unobligated balances from previous FYs so those funds can be reobligated to the new subaccount in PMS for the award.

The balance reported on the Subaccount Transitional FFR will be re-obligated in PMS regardless of the carryover authority for the award. If the award was issued with automatic carryover authority, the grantee may drawdown the carryover funds and obligate as they would now, once this Subaccount Transitional FFR has been processed.

Note: In accordance with existing policy, the GMO will review unobligated balances in excess of 25 percent of the total authorized amount for the budget period and may request additional information from the grantee as part of the review. If the GMO determines that some or all of the unobligated funds are not necessary to complete the project, the GMO may restrict the grantee's authority to automatically carry over unobligated balances in the future, use the balance to reduce or offset NIH funding for a subsequent budget period, or use a combination of these actions. The GMO's decision about the disposition of the reported unobligated balance will be reflected in the terms and conditions of the NoA.

If the award was not issued with automatic carryover authority, the grantee may not drawdown or obligate the funds unless a prior approval request has been approved and a revised NoA reflecting the approved carryover amount has been issued.

Accommodating Transition of Domestic Awards to PMS Subaccounts: Carryover of Funds on Domestic Awards for FY16 Only*



*This diagram reflects the procedure for the carryover of funds from a domestic award issued prior to October 1, 2015 to a domestic award issued after October 1, 2015. Carryover of funds between two domestic awards issued before October 1, 2015, or between two domestic awards issued on or after October 1, 2015, or from an initial award made after October 1, 2014, to a subsequent non-competing award made follows current procedure.

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