

Memorandum

To: University Research Community

From: Roberto M. Gutierrez, Director of Pre-Award
Division of Research

Subj.: NSF Updated Proposal & Award Policies & Procedures Guide (PAPPG)

Date: December 30, 2014

As previously announced by the Division of Research, federal agencies are releasing their implementation plans in order to comply with the changes mandated by the Office of Management and Budget (OMB) Uniform Guidance. The National Science Foundation (NSF) has updated their Proposal and Award Policies and Procedures Guide (PAPPG) effective December 26, 2014 to comply with these changes.

The Division of Research would like to highlight key relevant items that have gone into effect for all applications submitted, or due, to the NSF on or after December 26, 2014.

Part I: Grant Proposal Guide (GPG)

Chapter II.C.2.g Budget and Budget Justification – has been revised to reflect that the budget justification for the proposing organization must be no more than three pages. For proposals that contain a subaward(s), each subaward must include a separate budget justification of no more than three pages.

Chapter II. C2.2.g (i) (a) Senior Personnel Salaries & Wages Policy - NSF amended this section to note that compensation for personnel in excess of two months must be disclosed in the proposal budget, justified in the budget justification, and must be specifically approved by NSF in the award notice budget. Under normal re-budgeting authority, an awardee can internally approve an increase in person months devoted to the project after an award is made, even if doing so results in salary support for senior personnel exceeding the two month salary policy. No prior approval from NSF is necessary as long as that change would not cause the objective or scope of the project to change.

Chapter II.C.2.g(i)(b) Administrative and Clerical Salaries and Wages - The revision clarifies the conditions which must be met in order to consider these costs on an NSF funded project:

- (1) Administrative or clerical services are integral to a project or activity;
- (2) Individuals involved can be specifically identified with the project or activity;
- (3) Such costs are explicitly included in the approved budget or have the prior written approval of the cognizant NSF Grants Officer; and
- (4) The costs are not also recovered as indirect costs.

Please note that institutionally, any requests to directly charge administrative and clerical costs will require DOR prior review and approval via a Direct Charge Exemption Form (DCEF).

Chapter II.C.2.g (iv) Travel - All travel, both domestic and foreign require justification.

Chapter II.C.2.g (vi) (a) Materials and Supplies - The new amended section adds language to indicate that computing devices are considered supply items and may be included as direct costs for devices that are essential and allocable.

Chapter II.C.2.g (vi) (e) Subawards - The Uniform Guidance requires proposing organizations to make case-by-case determinations regarding the role of subrecipients vs contractors. NSF has stated that inclusion of a subaward or contract in the proposal budget or submission of a request after issuance of an NSF award to add a subaward or contract will document the organizational determination required.

Chapter II.D.8 Proposals involving Human Subjects: This section clarifies that the only acceptable IRB approval documents are those that approve a human subject research protocol and approvals “in concept” or conditional IRB documents are not acceptable.

Chapter II.C.2.d, Project Description – This section now requires a separate section within the narrative entitled, “Broader Impacts of the Proposed Work.”

Part II. Award and Administration Guide (AAG)

Chapter II.A.2. Grantee Notifications to NSF and Requests for NSF Approval - Revised to reflect three (3) new requests for NSF approval including salaries of administrative or clerical staff, travel costs for dependents, and additional categories of participant support costs.

Chapter II.C, Cost Sharing - Requires that awards with any mandatory cost sharing must document such cost sharing (on an annual and final basis), the Authorized Organizational Representative must certify that the amount is correct, and the cost sharing must be reported to NSF via use of NSF’s electronic reporting systems.

Chapter III.D.4, Program Income – The language has been revised to reflect that registration fees collected for NSF supported conferences are considered program income. License fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award are not considered program income.

Chapter V.D, F&A Costs – Provides updated guidance addressing organizations with and without federally negotiated F&A (indirect cost) rate agreements (e.g., de minimis rate of 10% or less MTDC for entities without a federally approved F&A rate agreement)

A full listing of the significant changes to the PAPPG can be found at the following link:

<http://www.nsf.gov/pubs/policydocs/pappguide/nsf15001/sigchanges.jsp>

Please note that these changes related to the NSF Updated Proposal & Award Policies & Procedures Guide (PAPPG) and other items of interest will be discussed at our upcoming Quarterly Research Administrator’s Meeting (QRAM) scheduled for January 27th, 2015 from 10:00 AM – 12:00 PM in the MARC Pavilion. An announcement will be sent in early January to RSVP for the meeting.

If you have any questions about the NSF Updated Proposal & Award Policies & Procedures Guide (PAPPG), please feel free to contact your Pre-Award or Post Award representative (<http://research.fiu.edu/dor/pages/staff-directory.html>) or call 305-348-2494 for further assistance.