

INTRODUCTION TO RESEARCH SPONSORS AND RESEARCH FINANCE (JULY 22/22)

**Edmund Gin, Acting Senior Manager
Research Finance Compliance and Training**



INTRODUCTION

Training team from Research Finance (RF):

- Edmund Gin, Acting Senior Manager, RF Compliance & Training

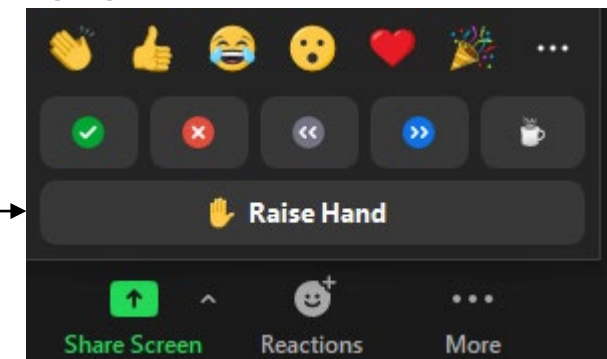
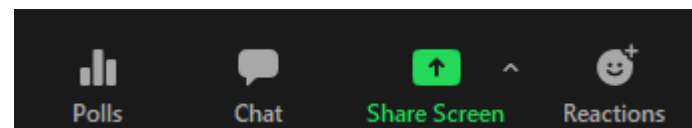


Technical issues during webinar:

- Please contact Cynthia at cxie@finance.ubc.ca

Questions & Answer

There will be a couple of spots during the presentation where we will pause for questions – both from the Zoom Chat, as well as directly from participants



INTRODUCTION

Topics to be covered today

- Research Finance –
 - Our role and responsibilities
 - Who we are
- Major Sponsors and their Guidelines –
 - Tri-Agency
 - US Federal Government
 - Internal Funds
- Sub-granting
- Tri-Agency Form 300s



RESEARCH FINANCE

What is our role? What do we do?

- we administer grant funds in accordance with terms & conditions agreed upon by the sponsor and UBC
- our involvement begins when the grant worktag is set up on Workday and continues through to and beyond the expiry of the grant
- we act as a conduit for communications with the business offices of the research sponsors, and help to interpret sponsor use-of-funds guidelines
- much of what we do is on the post-award financial side of things, including invoicing/claims, financial reporting, supporting audits, and addressing residual grant balances



RESEARCH FINANCE – VANCOUVER OFFICE

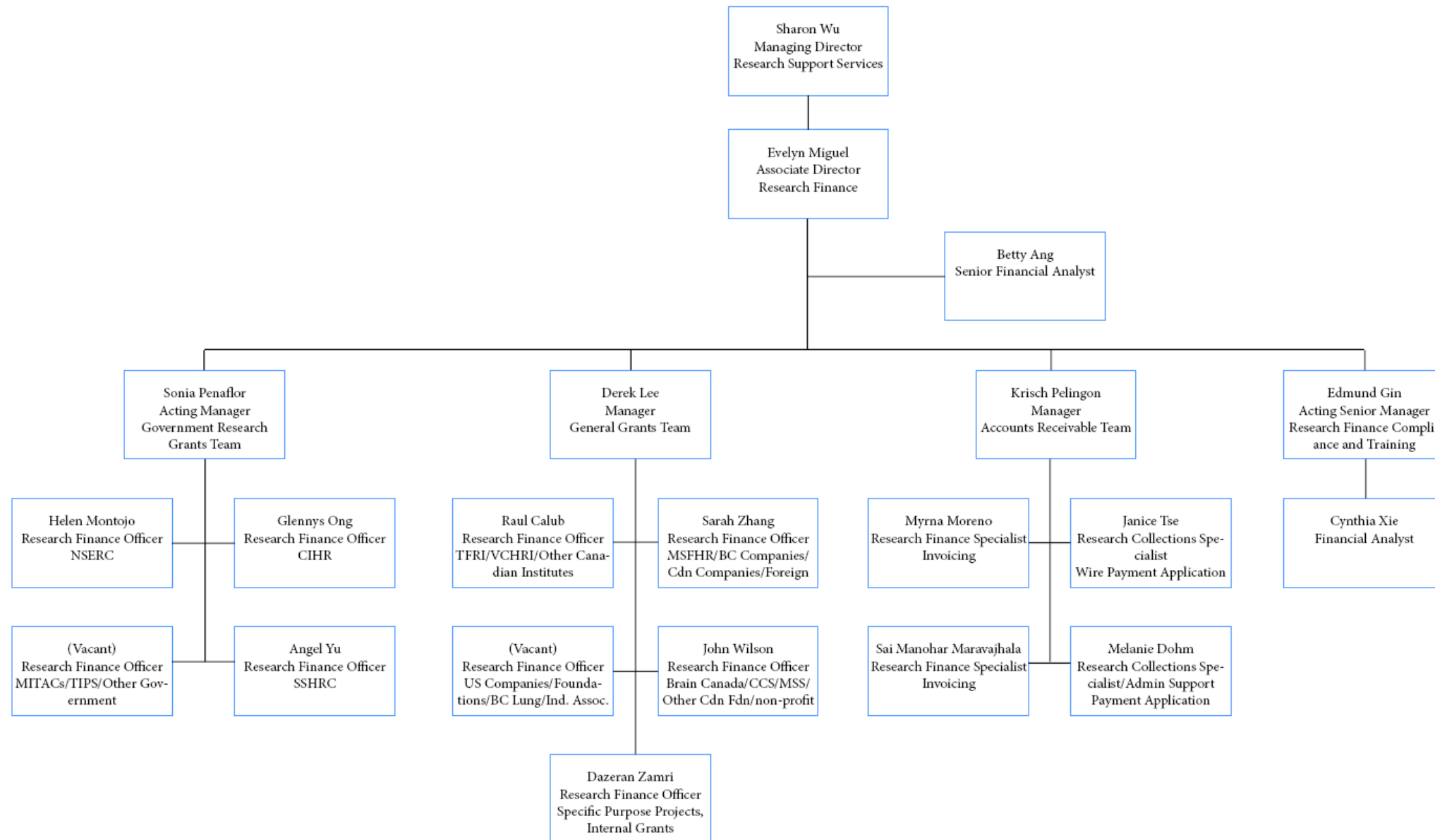
Details about our Vancouver campus office

- We have about 20 members loosely grouped into four teams
- Two of the teams are composed of Research Finance Officers that oversee the grants and prepare financial reporting; teams & portfolios grouped by sponsor (“Gov’t Research Grants” and “General Grants”)
- Another team handles the Accounts Receivable function – invoicing and tracking/collecting outstanding payments, identifying received payments, applying payments to grant accounts
- My team monitors for compliance with sponsor guidelines and provides training to the campus research community; address external audits



You are always welcome to reach out to us!

RESEARCH FINANCE – ORG CHART (VANCOUVER)



SPONSORS: TRI-AGENCY

Who is “Tri-Agency”?

- Tri-Agency refers to the three main federal primary research sponsors:
 - Canadian Institutes of Health Research (CIHR)
 - Natural Sciences and Engineering Research Council (NSERC)
 - Social Sciences and Humanities Research Council (SSHRC)

along with a suite of programs administered by the Tri-Agency Institutional Programs Secretariat (TIPS)

- TIPS handles multi-disciplinary programs or programs that don't belong to any of the three agencies above



SPONSORS: TRI-AGENCY

Tri-Agency Guide for Financial Administration (TAGFA)

- TAGFA represents the general guidelines under which Tri-Agency funding should operate
- The Guide is composed of a number of Parts, each Part representing a different facet of administration
 - Applicability, definitions, general matters
 - Use of grant funds – principles and directives
 - Details pertaining to financial administration
 - Intellectual property and ownership
 - Leaves from grant activity
 - Changes that may impact the conduct of research



SPONSORS: TRI-AGENCY

Tri-Agency Guide for Financial Administration (TAGFA, cont.)

- The part of TAGFA that we receive the most enquiries about pertain to use of funds (ie. expense eligibility)
- Other parts of the TAGFA are also important – for example, if a PI were to move to another institution, or if funds needed to be sent to a co-investigator at another institution, or if a member of a research team needed to go on parental leave, TAGFA also provides some guidance
- TAGFA provides a framework and some guidance for institutions like UBC to follow in terms of how to administer their grants
- The day-to-day eligibilities and processes are deferred by Tri-Agency to the institution; Tri-Agency expects our policies and procedures to conform to their framework



SPONSORS: TRI-AGENCY

TAGFA – How to prioritize other applicable policy documents

- There are other guidelines and policies that are concurrently in effect
- The following take precedence over TAGFA:
 - The Agreement on the Administration of Agency Grants and Awards by Research Institutions
 - Program/funding opportunity literature
 - Any relevant agency agreements with grant recipients/institutions
- TAGFA also operates concurrently with institutional policies & procedures:
 - if a guideline exists for both TAGFA and the institution, TAGFA prevails
 - where interpretation is required, PI/Dept should reach out to Research Finance; Research Finance will contact the Agency if necessary



SPONSORS: TRI-AGENCY

TAGFA – Use of Grant Funds

- The use of grant funds portion of TAGFA can be described as having two main components – principles and directives – with directives being applied to five major expense categories
- The principles that Tri-Agency requires the PI and the institutions to adhere to are as follows:
 - must contribute to direct costs of the research/activities that the funding was provided for; benefits directly attributable to the grant
 - must not be provided by the administering institution to their research personnel
 - must be effective and economical
 - must not result in personal gain by the research team members



SPONSORS: TRI-AGENCY

TAGFA – Use of Grant Funds Directives

- The five major expense categories that have directives are
 - Employment and compensation expenditures
 - Goods and services expenditures
 - Travel/Travel-related subsistence expenditures
 - Hospitality expenditures
 - Gifts, honoraria, incentives



Each of these categories outlines the nature of the expenses, whether there are specific items (such as alcohol) that are ineligible, reiterates the relevant principles, and identifies the roles (PI, institution) & their responsibilities.

SPONSORS: TRI-AGENCY

TAGFA Use of Grant Funds Example – Consulting fees

- TAGFA has directed that compensation of any sort (employment, services rendered, token of appreciation) for an individual not be given to:
 - grant recipients,
 - individuals who conduct research independently, or
 - individuals expected to work free of charge on the grant-funded activities per funding opportunity/program requirements
- Consulting fees (covered in TAGFA under “Goods and Services”) is an example of compensation where the above directive applies
- ie. consulting fees may not be paid from Tri-Agency grants to individuals who meet any one of the three sub-bulleted conditions above



SPONSORS: TRI-AGENCY

TAGFA Use of Grant Funds Example – Conference travel

- TAGFA requires that travel expenses (including meals and accommodation) comply with institutional policies and procedures
- UBC's guidance regarding travel expenses can be found in the Business Expense Rules; Tri-Agency's only restriction is that no alcoholic beverages be claimed as part of travel
- PI has broad responsibility for ensuring expenses as part of a travel claim (for self/team member) conform to TAGFA & institutional policy via the claims approval process, including "effective and economical" principle
- As such, documentation providing clarity for how the expenses relate to the grant-funded activities and conforms to TAGFA is important



SPONSORS: TRI-AGENCY

TAGFA – Considerations pertaining to administrative changes

- When a grant holder's situation changes (departure, retirement, requesting deferral of funding, adding/changing co-investigators or main PI), there are certain processes in TAGFA that need to be followed
- Central to this is the Grant Amendment Form, which should be prepared in conjunction with the following office(s):
 - When change of key personnel is needed, or to extend authority to use grant funds period, coordinate with Office of Research Services (ORS)
 - For request to defer funding, coordinate with Research Finance (RF)
 - In case of termination of grant (PI death, PI retirement, or moving whole grant to another institution), coordinate with both ORS and RF



SPONSORS: TRI-AGENCY

TAGFA – Considerations pertaining to ownership

- TAGFA states that equipment and supplies purchased using grant funds (including computers, lab supplies, heavy equipment, and other materials) are owned by the institution, and are subject to institutional disposal / transfer policies
- This is also covered in UBC's Policy UP5 (Ownership and Use of UBC Equipment and UBC Support Services)
- If there is a desire to transfer items purchased using grant funds to another party (institution, person, organization), TAGFA requires the institution to provide prior approval before the transfer can be finalized
- UBC also has a policy on disposal / transfer of items owned by the university - Policy UP3 (Disposal of Surplus Equipment and Materials)



SPONSORS: TRI-AGENCY

TAGFA – Considerations pertaining to residual funds

- Depending on the agency that provided the funding, there may be different requirements for handling residual funds upon expiry of grant
- NSERC and SSHRC allows institutions to maintain a General Research Fund (GRF) to capture some of their programs' expired residual funds instead of requiring refunds (helps minimize administrative burden)
- All other Tri-Agency programs (including some NSERC and SSHRC programs) are “refund upon expiry”, most notably for CIHR and the TIPS programs
- Per Government of Canada's Treasury rules, we have 30 days from date of refund request to pay the Receiver General the residual funds, otherwise interest costs will begin to accrue



SPONSORS: US FEDERAL GOVERNMENT

US Government funding agencies – NIH, NOAA, DoD, etc. (US Fed)

- Funds originating from the US Federal Government follow rules that have been codified in their Code of Federal Regulations (CFR), under “Uniform Guidance” – 2 CFR 200 and related Dept-specific codes (eg. 45 CFR 75 for Department of Health and Human Services, which oversees NIH)
- All US Fed agencies are required to abide by these codes, with basically no exceptions (eg. 45 CFR 75 is essentially the same as 2 CFR 200, but with minor allowances specific to the DHHS’ operational environment)
- Think of the CFR as the operations manual or the rulebook by which the US federal agencies follow – although while the purpose is to guide the US Fed agencies in their work, many of the rules are flowed down via the Notices of Award to institutions and grantholders



SPONSORS: US FEDERAL GOVERNMENT

Uniform Guidance (UG) – 2 CFR 200

- 2 CFR 200 is the codified version of what used to be known as OMB Circulars A-21, A-110, A-122, and A-133 (amongst many, many others)
- UG covers many different elements pertaining to US Federal Awards, including: pre-award requirements; cost principles; property, procurement, monitoring, and reporting standards; audit requirements; and how to establish the indirect costs (F&A) rate with the US Government
- What was formerly known as the “A-133 audit” is now officially the US Fed “Single Audit” (arising from Subpart F of UG)
- While UG is broad in its scope, today’s presentation will focus primarily on the post-award requirements and cost principles sections



SPONSORS: US FED – DEFINITION OF TERMS

First - some definitions

- non-Federal entity - any downstream recipient of US government funding (includes subrecipients and subrecipients of subrecipients, etc.)
- pass-through entity - the non-Federal entity from which a subrecipient receives US government funding
- subrecipient - a beneficiary of US government funding who receives the funding from a non-Federal entity
- domestic - for purposes of interpreting US government policies and guidelines, originating from the US



SPONSORS: US FED – UG POST-AWARD

UG Subpart D – Post Federal Award Requirements

- This subpart covers a wide range of post-award operational parameters, including: how the agencies are to monitor performance and disburse payments; how recipients (“non-Federal entities”) are to manage funds and set internal controls; cost-sharing considerations and how to handle program income; and how to address changes in scope
- There are also property standards, procurement standards, reporting standards, standards for monitoring and managing subrecipients, record retention standards, and closeout standards
- We’ll primarily touch upon some of the standards in today’s presentation



SPONSORS: US FED – UG POST-AWARD

UG Subpart D – Select Standards: Property (Equipment, § 200.313)

- Equipment must be used for the project for which it was acquired, and when it's no longer needed for the original project, it may be used for other projects funded by the sponsor, with priority as established by UG
- Equipment may also be used for other (ie. non-US Fed) projects so long as it does not impact its availability for the project that acquired it
- Records must be maintained (list of details needed for records are spelled out in UG); biennial certification of equipment status required (Research Finance will initiate certification process in accordance with UG)
- Disposal of equipment is subject to specific considerations, including possibly refunding a portion of the sale proceeds (where applicable) to the sponsor/the grant account; also – project closeout requirements



SPONSORS: US FED – UG POST-AWARD

UG Subpart D – Select Standards: Procurement (§ 200.317 to § 200.327)

- “ § 200.322 Domestic preferences for procurements.
 - (a) As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).”
- US Fed micro-purchase threshold was bumped up to USD \$10k in recent years (was USD \$3.5k), but also allows non-Federal entity (such as UBC) to set own micro-purchase threshold up to USD \$50k (with conditions)
- There’s also a “simplified acquisition threshold”, above which requires formal procurement methods such as competitive bids, and below which requires an adequate number of quotes from qualified sources
- UBC’s competitive bid threshold is CAD \$75k; PO requirement above CAD \$3.5k (other documentation such as quotes may be needed)



SPONSORS: US FED – UG POST-AWARD

UG Subpart D – Select Standards: Closeout (§ 200.344)

- Grants where we are the primary – all reporting must be submitted within 120 calendar days of the end date of the performance period
- For grants where we are a subrecipient, all reporting must be submitted to the pass-through entity (ie. the institution that provided us with the sub-grant) within 90 calendar days of the end date of the performance period
- All financial obligations need to be liquidated within the closeout period, unless an extension by the agency or pass-through entity is approved
- Funds advanced by a US government agency or a pass-through entity for which there is a residual balance needs to be refunded
- We draw down funding based on actual expenditures converted to USD; residual funds are often due to F/X differential (can be retained)



SPONSORS: US FED – UG COST PRINCIPLES

UG Subpart E – Cost Principles

- In addition to outlining provisions for specific items, UG Subpart E also discusses basic considerations of costs, the difference between direct costs and indirect costs, and special considerations for Institutions of Higher Education (such as UBC)
- Key basic considerations for allowability of costs are: necessary, reasonable, allocable, consistency, and adequately documented
- Prior approval requirements (for reasonableness/allocability, and for change of scope) may vary from agency to agency; it is important to understand what's required per the programmatic/funding opportunity material and the terms and conditions in the funding agreement



SPONSORS: US FED – UG COST PRINCIPLES

UG Subpart E – Cost Principles: Select Cost Items – Compensation

- Unlike Tri-Agency grants, if a Faculty member is working on a US Fed funded project, their salary and benefits costs may be charged to the grant account proportionate to the time spent working on the grant; consulting fees payable to Faculty members may be allowable
- There is a cap on the salary rate/consulting fee rate; for example, NIH has set the cap for Faculty members at Executive Level II of the US Fed Executive pay scale
- The cost of salaries/benefits for any position that is charged to a US Fed grant needs to be proportionate to the time spent working on the grant, substantiated by time sheets (for hourly staff) or determinations of time spent on project vs. other responsibilities (for monthly salary staff or PI)



SPONSORS: US FED – UG COST PRINCIPLES

UG Subpart E – Cost Principles: Select Cost Items – Telecommunications and Video Surveillance Costs (2 CFR 200.471)



- The US Government has restrictions on the origin of certain telecommunications and video surveillance services and equipment enshrined in their Public Law 115-232, section 889
- These are listed in 2 CFR 200.216, and explicitly prohibit the use of US Fed funds to procure or obtain (or otherwise enter into a contract, including extending existing contracts) “equipment, services, or systems as a substantial or essential component of any system, or as critical technology as part of any system” from a select list of companies and their subsidiaries and/or affiliates

SPONSORS: US FED – OTHER CONSIDERATIONS

US Fed Sponsor-Specific Guidance

- US Fed sponsors such as NIH and NOAA also have specific guidance on their respective websites
- Much of the specific guidance will also appear in the Terms and Conditions on the Notices of Award that these sponsors send out, either as explicit requirements, or by reference to specific clauses within their Agency's own guidance, such as the NIH Grants Policy Statement
- Further, individual funding opportunities may have specific funds-usage restrictions or conditions placed in the funding opportunity materials
- These reference sources are just as important to pay attention to as Uniform Guidance, which only provides a general framework and key principles to work under



SPONSORS: INTERNAL FUNDING

The University as a sponsor

- UBC also acts as a sponsor for research, with funds originating from a variety of internal sources
- The most common are Dept- and Faculty-level one-time start-up funds for new Faculty members to get established
- Other methods include endowments for which the interest earned from the endowment principal is put towards research; general purpose operating funds that are used to match restricted externally-sourced research funds or provide one-time special funding for priority initiatives; and residual funds from expired restricted research grants that do not need to be refunded to their external sponsors which are placed



SPONSORS: INTERNAL FUNDING

UBC-sourced funding (cont.)

- Although internally-sourced funds are considered “unrestricted” in accounting terms (set up in Workday using Fund FD220), there may be restrictions placed on their usage
- It’s important to understand from the internally-generated award documents exactly what restrictions apply
- Funds sourced from Depts/Dean’s Offices/Central generally have an end date, and requests of time extensions for usage should be directed to the appropriate awarding unit; expired funds to be returned to source
- Residual funds that have expired and don’t need to be refunded to sponsors are placed in a FD220 Grant worktag with 2099 end date (commonly known as “Unrestricted Research Grant”)



SPONSORS: INTERNAL FUNDING

UBC-sourced funding (cont.)

- In addition to any restrictions to internally-sourced research funds, these Grant worktags set up on Workday for internal funds are also subject to the same UBC policies that all externally-funded research grants are
- This includes UBC's Business Expense Rules, over-expenditure policy, ownership and surplus disposal policies, and (of course) the university's policy on research



SUB-GRANTING FUNDS

When collaborating with other researchers:

- Often times, funds need to be transferred corresponding to the work towards the research project's goals
- The major sponsors have administrative requirements that need to be followed when sub-granting needs to happen
- There are also UBC requirements for arranging sub-granting of funds
- Internal: most sponsors are silent on sub-granting within an institution, so it's normally UBC's own requirements that apply
- External: the requirements usually include a formal agreement between the institution sub-granting the funds (the primary institution/pass-through entity) and the receiving institution (subrecipient)



SUB-GRANTING FUNDS

UBC's administrative requirements for sub-granting

- Sub-grants are arranged through the RESA Manager/Research Officer
 - The RESA Manager/Research Officer can be found on RISE and Workday; normally someone from either Research Services (ORS) or the Industry Liaison Office (UILO)
- It's important to be aware of sub-granting policies of the sponsor that you wish to sub-grant funds from
- It's also important to be aware of the list of sanctioned countries when requesting sub-grants to external collaborators (list available from Treasury)



SUB-GRANTING FUNDS

UBC Procedures for Sub-Granting

Internal sub-grant (UBC PI Primary, UBC PI sub-grant)	External sub-grant (UBC PI Primary, non-UBC PI sub-grant)
• Initiated through submission of RPIF	• Initiated by submission of sub-grant request form to ORS for review
• new GR worktag will be created by RESA Manager under the same award as the originating GR worktag	• ORS will prepare necessary agreements and paperwork required by the sponsor, or forward to UILO to do likewise
	• If ORS prepared the sub-grant agreement, they will also submit payment request
	• If UILO prepared the sub-grant agreement, the Dept will need to issue the supplier invoice request for payment
• Research Finance will capture sub-grant financial data when preparing statement for the sponsor	• Research Finance will monitor and collect necessary financial statements for consolidation when preparing financial reporting for the award



TRI-AGENCY: FORM 300

Fiscal 2022 Form 300 Statements

- This year's process will be the first time we're doing the whole process using Workday-based data, reports, and delivery / collection operations
- PIs will review, sign, and submit the Form 300 through Workday.
- The email about the Form 300 process will be sent out next week. A step by step instruction on how to access, download, and upload signed forms will be attached to the email. Below are the key dates:
 - Jul 27: statements will be posted and made available for the PI and Finance Administrator to download.
 - Aug 17: signed statements to be returned to Research Finance
 - end of August: data for Form 300s to be uploaded to FDSR by Research Finance, including corrections for adjustments requested



TRI-AGENCY: FORM 300

Points to note for Form 300s

- There are instances where the PI may request adjustments to the Form 300 (expense categorizations, adding/removing expenses for the Form 300, recognizing outstanding commitments)
- We will try to accommodate adjustments provided the reasoning behind the adjustment request conforms to Tri-Agency's reporting requirements
- Unless there is good reason for us to amend a subrecipient's submitted Form 300 (ie. for reportable funds sent to another institution) as part of a consolidated Form 300, we are going to take the subrecipient's submitted Form 300 as accurate



TRI-AGENCY: FORM 300

Under what circumstances will PI's adjustments be accepted?

- Only for transactions related to their own Grant Worktag
- In particular:
 - adjustments to salary categorizations provided total salaries expenses remains the same
 - adjustments between non-salary categorizations provided total expenses (Line B) remains unchanged
 - adjustments to modify total expenses only for those statements where no future Form 300 reporting is required (otherwise, adjustment will be reflected in commitments field & expenses will be captured next year)



It's important to note that the PI needs to initial beside any figure requiring adjustment to note their acknowledgement of the request

SUMMARY

What we covered today:

- What Research Finance's role is and who we are
- Tri-Agency and their guide for financial administration, TAGFA
- US Federal Grants and their guide for financial administration, 2 CFR 200 (also known as Uniform Guidance)
- UBC-funded internal grants and their characteristics
- Sub-granting of funds
- Tri-Agency Form 300s



SPONSORS: RESOURCES - TRI-AGENCY

Resources

- TAGFA - https://www.nserc-crsng.gc.ca/interagency-interorganismes/TAFA-AFTO/guide-guide_eng.asp
- Principles - https://www.nserc-crsng.gc.ca/interagency-interorganismes/TAFA-AFTO/guide-guide_eng.asp#10
- Directives - https://www.nserc-crsng.gc.ca/interagency-interorganismes/TAFA-AFTO/guide-guide_eng.asp#11
- CIHR - www.cihr-irsc.gc.ca
- NSERC - www.nserc-crsng.gc.ca
- SSHRC - www.sshrc-crsh.gc.ca
- TIPS - https://www.sshrc-crsh.gc.ca/about-au_sujet/collaboration/tri-agency_funding_programs-programmes_financement_trois_organismes-eng.aspx



SPONSORS: RESOURCES - TRI-AGENCY (CONT.)

Resources

- Tri-Agency Grant Amendment Form - https://www.nserc-crsng.gc.ca/_doc/Tri-Agency/TAFAG/Grant_Amendment_Form_e.pdf
- Agreement on the Administration of Agency Grants and Awards by Research Institutions - https://www.ic.gc.ca/eic/site/063.nsf/eng/h_56B87BE5.html



SPONSORS: RESOURCES - US FED

Resources

- Uniform Guidance - 2 CFR 200: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1>
- Uniform Guidance - 45 CFR 75 (For NIH grants):
<https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-75>
- NIH Grants Policy Statement:
<https://grants.nih.gov/policy/nihgps/index.htm>



CONTACT DETAILS

How to contact us:

- Edmund Gin – Acting Senior Manager, Research Finance Compliance and Training; email: egin@finance.ubc.ca
- Derek Lee – Manager, General Grants Team; email: derek@finance.ubc.ca
- Sonia Penaflor – Acting Manager, Government Research Grants Team; email: sonia.penaflor@ubc.ca
- Krisch Pelingon – Manager, Research Finance Accounts Receivable Team; email kpelingon@finance.ubc.ca



Alternately, you can also reach us at rf@finance.ubc.ca – Research Finance inbox (regularly monitored)

For Tri-Agency specific questions, please e-mail:

tri-agency.renewal@finance.ubc.ca (also regularly monitored)



**THANK YOU FOR
ATTENDING TODAY'S
PRESENTATION!**