



HSC SPONSORED PROJECTS AND F & A PROCESS

SPONSORED PROJECTS PRESENTATION OVERVIEW

- Research Support at HSC
 - Sponsored Projects
 - Contract and Grant Accounting

- F&A Process

RESEARCH SUPPORT AT HSC

- **Sponsored Project** (contracts, grants, cooperative agreements, clinical trials)
 - Federal & State Governmental Entities
 - Non-governmental entities
 - Non-profit entities
 - For-profit entities
 - Higher Education National Labs

- **Unfunded Support**
 - Licensing (software & computing)
 - Data Transfer/Use Agreements
 - Material Transfer Agreements
 - Confidential Disclosure Agreements

- **Gifts/Donations**
 - UNM Foundation

NM ANTI-DONATION CLAUSE

NM Anti-donation Clause

The Anti-donation Clause of the New Mexico Constitution forbids all state, counties, school districts, and municipalities from directly or indirectly pledging its credit or making any donation to or in aid of any person, association, or public or private corporation.

No Public employee shall directly or indirectly donate anything of value to an outside entity – this can include:

- Participating in a research study with another Institution without compensation from the outside entity for his/her work. This would constitute working free. UNM (and the researcher as a public employee of UNM) would be providing time, materials, and resources to the study, all of which constitute a value. UNM does not donate anything of value to outside entities
- Providing consulting to an outside company on University time and using university resources, including meeting at UNM facilities without compensation
- Testing a product for a company utilizing University resources or researcher time
- Giving supplies to private citizen's, i.e., a laptop that is no longer needed for a research study cannot be given to a person outside of the University – this would be considered donation of property

SPONSORED PROJECTS OFFICE/PREAWARD

- Reviews, comments, advises, negotiates, approves contracts/grants
- Processes, submits grant applications
- Navigates proposal process with departments
- Guides departments on budget preparation
- Obtains Institutional Signatures on contractual arrangements
- Negotiates ancillary agreements (MTAs, DUAs, CDAs)

CONTRACT & GRANT ACCOUNTING

- Grant/Contract account set-up in Banner
- Budget modifications and carryforward requests
- Financial Reporting
- Signature Authorization
- RTSF Set-ups
- Close out of projects

FACILITIES & ADMINISTRATIVE COSTS

UNM POLICY 2425

What is F&A?

- F&A is known as Facility & Administrative Costs synonymous with IDC (Indirect Cost)
- Costs that are incurred that cannot be readily identifiable with a particular sponsored project.
- Costs can include costs of utilities to run a building, shared objects by staff, and administrative support not directly related to sponsored project (Central Office staff).

FACILITIES & ADMINISTRATIVE COSTS

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- F&A Requirements are developed under federal policy (Office of Management & Budget – Section 200.56 of 2 CFR Part 200 “Uniform Guidance”)
- Actual rates are determined by a cognizant agency, for UNMHSC its Department of Health & Human Services (DHHS) through a questionnaire process about the cost of doing business. This process is reevaluated every 4 years
- UNM’s F&A Rate is based on Modified Total Direct Costs, which is total direct less specific conditions as specified in agreement.

FACILITIES & ADMINISTRATIVE COSTS

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- HSC Federally Negotiated Rate Agreement negotiated with Department of Health & Human Services (This agreement should apply to all federal & federal flow-through sponsored projects unless waived by Vice Chancellor for Research)
- Industry-sponsored Clinical Trial Agreement Indirect Cost Rate
- State of NM F&A Cost Rates
- All sponsored projects should fall into agreement guidelines unless directed otherwise by sponsor and F&A waiver is obtained. If award is federal or federal flow-through and the negotiated rate is not used, the difference between the negotiated rate and effective rate will be cost shared by the Department.

FACILITIES & ADMINISTRATIVE COSTS

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PREDETERMINED (UNM)

- Object is to simplify the administration with educational institutions for budget facilitation and expeditious closeout
- Usually negotiated for a term of 2 to 4 years
- Cannot change rates during the cycle of a grant (incoming subaward)

PROVISIONAL

- Generally used where parties cannot agree on an equitable rate
- Rate may be adjusted by cognizant agency during FY to prevent substantial over or under payment
- Due to nature or rate, can be adjusted during the cycle of a granting period.

FACILITIES & ADMINISTRATIVE COSTS

UNM POLICY 2425

When Should F&A be Requested

- F&A should be requested in all sponsored project budgets.
 - Proposals submitted to federal and non-federal agencies must include F & A costs, using the [cost rates](#) listed on the [Office of the Vice President for Research website](#).
- If F&A is not allowed on a sponsored project, then the PI must obtain an F&A Waiver from The Vice-Chancellor or Research (Dr. Richard Larson) which is then turned into PreAward at the proposal stage.