

## Compliance with Federal Awards FAQ

1. What strategies can we use to ensure compliance with federal grants that have an end date between 11/14/22 and 12/31/22 (i.e., the last day that work can be performed is between 11/14/22 and 12/31/22)?

There are several strategies that campuses can deploy to ensure compliance with grant terms and conditions that end during this period. First, campuses can rely on the firsthand knowledge of PIs or approved delegates to verify effort. For example, if PIs worked with their students throughout the course of the strike or otherwise know that they performed their research duties over the course of the strike, then they can verify effort on the grant in the normal course.

If PIs do not know if work was performed over the course of the strike, then they should move those charges to an unrestricted campus account until more data can be gathered in January of 2023. In determining whether tuition and fees should be shifted, campuses should review the guidance below to determine whether tuition and fees are an allowable cost.

After more information is obtained, charges can be moved back to the grant if the original charges were incurred within the grant performance period. Cost transfers must generally occur within 120 days from when the original charge was incurred. All reconciliations must generally occur within 120 days of the end of the grant period, or as specified in individual awards. PIs are encouraged to check in with their Sponsored Projects Offices to verify their grants' end dates and reconciliation periods.

2. Does this guidance shift costs to student employees.

No. The compliance guidance and these FAQs discuss compliance with federal terms only.

3. What portion of wages and tuition should be shifted off the grant?

In determining what wages should and should not be charged to a federal grant, campuses should first rely on the first-hand knowledge of the PIs. If PIs worked with their students throughout the course of the strike or otherwise know that they performed their research duties over the course of the strike, then they can certify effort and charges on the grant in the normal course.

If PIs do not have knowledge of whether the work was performed, then they should move charges off the grant. For wages, charges should be moved based on the percentage of effort associated with days missed due to the strike.

For tuition and fees, charges should be moved based on whether the number of days missed (or days that cannot be verified) would drop the student below the threshold for tuition and fee remission for the underlying grant. Typically, that threshold is .25FTE, although each campus will need to review its own policies to determine the threshold for full and partial tuition and fee remission. Tuition and fees may be charged to the underlying grant if the student is eligible for such benefits consistent with campus policies and the charges are otherwise consistent with the award terms. If tuition and fees cannot be charged to the grant, charges should be moved to an unrestricted account until more information can be gathered.

Note that if the tuition and fees threshold is .25 FTE, then graduate students with .45 to .49FTE appointments would still qualify for tuition and fee remission even if they were on strike from November 14<sup>th</sup> through the end of winter break.

4. How do we address charges for student who work on multiple grants?

Consistent with the guidance above, wages, tuition, and fees should be shifted to another account if PIs cannot verify the underlying effort. The amount of wages, tuition, and fee charges shifted should be based on the appointment percentage for each grant and the effort associated with each day based on that percentage. For example, a student with a .10 year long appointment on a grant is assumed to work approximately .8 hours a day. Assuming that person was on strike for 23 days, the student missed 18.4 hours or 8.8% of the overall .1 appointment on the grant.

5. Will future guidance be issued?

Yes. Guidance will be issued in early 2023 regarding leave reporting mechanisms.

6. What should campuses with monthly payroll certification processes do?

Campus should follow their normal payroll verification processes. However, PIs and approved delegates should only report based on their knowledge of whether the work was performed – they should not ask students about their strike activities or leave. If there is not enough information to verify payroll, then campuses are encouraged to wait to submit certifications until additional guidance is provided in January, and as stated above, campuses should move charges off the grant as necessary.

7. What is an example of a reasonable way to calculate a daily effort percentage?

One way to calculate a daily effort rate is to take the appointment FTE, and multiply it by the hours per year for full time employees – 2088. That equals the expected hours per year for that employee. Divide that number by 52 weeks in a year and divide by 5, to get a daily rate. In determining days missed, only count workdays. Do not count holidays or weekends.

8. What does this mean for Postdoctoral (Postdocs) scholars and Research Assistants (RAs)?

PIs and approved delegates should use their normal processes to verify effort for Postdocs and RAs. The effort and leave reporting processes for these employees have not changed.