



# ORS Newsletter

January - February 2019

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## FEDERAL FACILITIES & ADMINISTRATIVE (F&A) RATE CAPS: PAY ATTENTION TO THESE TERMS

If you prepare proposals for federal funding, you will eventually come across F&A rate caps with additional language that appear easy to interpret. However, it is important to understand what the additional language means, as it is probably different from what you think. Here are two examples.

1. The cap does not apply to *states, local or tribal governments*.

Although the University of Hawaii (UH) is part of the State of Hawaii government, it is not considered a state, local or tribal government under federal statutes or regulations. Under the US Code, public universities like UH are considered an institute of higher education (IHE). F&A rate regulations for IHEs and state, local or tribal governments are covered under different appendices to 2 CFR 200. This is an important indicator that public IHEs are not treated the same as state governments.

For example, let's say UH is applying for a US Department of Education grant that has an 8% of MTDC cap, which does not apply to state, local or tribal governments. UH's F&A rate is capped at 8% of MTDC on a direct award (i.e., UH is recipient) because it is an IHE. The cap also applies to subawards to UH for the particular grant because the cap is based on the type of non-federal entity (i.e., anything other than a state, local or tribal government).

In contrast, there are no separate F&A rate regulations for K-12 entities. Thus, if the Hawaii Department of Education (HIDOE) applies for the same grant, it is not subject to the cap. The HIDOE is considered a state, local or tribal government under the regulations and not a non-profit organization. Thus, if UH subawards to HIDOE, it should not cap HIDOE's rate at 8% of MTDC.

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## FEDERAL FACILITIES & ADMINISTRATIVE RATE CAPS: PAY ATTENTION TO THESE TERMS (CONTINUED)

2. The cap is x% of MTDC *not based on a rate agreement*.

Some people have interpreted this to mean that if you don't have a rate agreement, then UH may use the MTDC defined by the request for proposal (RFP), funding opportunity announcement (FOA), solicitation, etc. The correct interpretation is to ignore the MTDC definition in the rate agreement and use the MTDC defined by the sponsoring agency.

By way of example, a sponsor declares the rate to be 8% of MTDC not based on a rate agreement. The sponsor defines MTDC as total direct costs less equipment; portion of subawards in excess of \$25,000; and tuition and fees. Based on this definition, capital expenditures, patient care, tuition remission (i.e., tuition waiver for graduate assistants), and scholarships/fellowships, which would normally be excluded from MTDC, are now subject to the F&A rate of 8%.

Tuition and fees are usually defined to include only published tuition and fees (e.g., <http://www.catalog.hawaii.edu/tuitionfees/regtuition.htm>). Thus, stipends paid for costs such as living allowances, travel, books, or supplies would not be excluded in this example.

For questions or assistance regarding interpretation of F&A rate caps, please contact Kevin Hanaoka, Interim Cost Studies Manager, at [hanaokak@hawaii.edu](mailto:hanaokak@hawaii.edu) or (808) 956-7874.

## REGULATORY APPROVALS FOR SUBAWARDS

If a subaward involves Human Subjects, Animal Subjects or Biological Safety, it is the University of Hawaii principal investigator's responsibility to ensure that all required approvals and related documentation have been obtained from the subrecipient prior to the commencement of any activity by the subrecipient. Such documents should be shared with the program committees for Human Subjects, Animal Subjects or Biological Safety as applicable.

Should you have any questions related to these approvals, please contact Victoria Rivera, Director of Office of Research Compliance, at [riveravg@hawaii.edu](mailto:riveravg@hawaii.edu) or (808) 956-8102.

## KUALI FINANCIAL SYSTEM (KFS) CHART OF ACCOUNTS CROSSWALK IDENTIFIER

The Charts of Account (COA) Crosswalk Identifier is key to identifying the intended KFS accounts for fringe benefit adjustments that hit continuation accounts in November and December 2018. Every KFS account and sub account is assigned a unique 7-character COA Crosswalk Identifier. This field is used to translate the KFS account code to DAGS for the State of Hawaii (State) Payroll Interface.

Since the November and December 2018 fringe benefit adjustments relate to State payroll transactions, their Reference Document Numbers contain the State accounting string, which is part of which is the COA Crosswalk Identifier. The last seven characters of the Reference Document Number, after the "F", represent the COA Crosswalk Identifier.

For example, for Reference Document Number F237F0022E29, the COA Crosswalk Identifier is 0022E29. Fiscal Administrators can use the KFS Account Lookup to search COA Crosswalk Identifier = 0022E29. The search result will display the intended KFS account - MA 6106166.

This information is provided for future reference should a similar situation occur. It should not be applicable to January 2019 payroll adjustments as we understand these adjustments were fed through the Labor Ledger.

Should you have any questions regarding the COA Crosswalk Identifier, please contact Suzanne Eghan, Projects Financial Services Manager, at [efhans@hawaii.edu](mailto:efhans@hawaii.edu) or (808) 956-4061.

## ORS HELPLINE FREQUENTLY ASKED QUESTIONS

### **Can I make technical/typographical changes to the narrative or other attached documents attached to a myGRANT proposal development document after it has been submitted for workflow approval?**

Yes, you can update existing documents with newer versions prior to submission of the proposal to the sponsor. Only existing attachments can be replaced. No new documents may be added. Please work with [your assigned ORS specialist](#) so that they are aware of the changes you are making.

To replace an existing attachment, navigate to the "Attachments" section, find the attachment you need to revise and click the "Details/Replace" button. You will then be able to upload a new attachment using the "Browse" button.

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**Can other revisions be made to the myGRANT proposal development document once it is submitted for workflow approval?**

Yes, for any other changes/revisions, the proposal can be returned for changes by the person/group currently pending approval in the workflow. The initiator is also able to recall the proposal without needing to ask a current approver to return for changes. To do this, go to the "Summary/Submit" section and click the "recall" button at the bottom of the screen.

**My proposal does not seem to be editable, or there is no "Submit" button on the "Summary/Submit" section.**

Make sure you are not opening the proposal in "View" mode. If you are in "view" mode, the proposal will have an "Edit" button at the bottom of the page. Click the "Edit" button at the bottom to change to "Edit" mode.