



ORS Newsletter

July 2020

CONTENTS

NEW CONFLICT OF INTEREST (COI) MODULE COMING SOON

PREPARING FOR ANNUAL KUALI FINANCIAL SYSTEM (KFS) EFFORT CERTIFICATIONS AND COST SHARING EFFORT CERTIFICATIONS

FISCAL YEAR (FY) 2020 COST SHARING ENTRY ADJUSTMENTS

OFFICE OF MANAGEMENT AND BUDGET (OMB) MEMORANDUM M-20-26, EXTENSION OF ADMINISTRATIVE RELIEF

IMPLEMENTATION OF REVISED NATIONAL SCIENCE FOUNDATION (NSF) PROPOSAL POLICIES AND PROCEDURES GUIDE (PAPPG)

NATIONAL INSTITUTES OF HEALTH (NIH) POLICY UPDATE REGARDING SEXUAL AND OTHER TYPES OF HARASSMENT

RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII (RCUH) ACCOUNTS PAYABLE

ORS HELPLINE FREQUENTLY ASKED QUESTIONS

NEW CONFLICT OF INTEREST (COI) MODULE COMING SOON



The University of Hawaii's (UH) Office of the Vice President for Research and Innovation (OVPRI) has developed a new Conflicts of Interest (COI) module called **rCOI**, which will be launched soon. Development of this new module will further streamline the COI reporting process for those involved in extramurally-funded research projects, seamlessly integrating with our contracts and grants software, *myGRANT*. Developed in-house, this new solution was designed to better meet UH's needs, making the process more efficient for COI reporters, reviewers, and administrators.

The following are improvements which will be implemented with the new **rCOI** module:

- Disclosures for reporters with Significant Financial Interests (SFI) will be automatically submitted to the COI administrator when new awards are received;
- Disclosure reviewers (e.g., immediate supervisors, deans or directors) will only have to review dispositions for new awards, and prior recommendations for existing awards will be available for reference purposes; and
- Increased efficiencies on the administrator side will allow for quicker processing of COI disclosures.

Automatic reminders will continue to be sent for annual disclosure updates and/or updates at the time of award which are required by UH policy. Annual disclosures for the State Ethics Commission, required under Hawaii Revised Statutes Chapter 84, will be managed by the UH System Office of Human Resources.

Stay tuned for future announcements and systemwide training sessions on the new **rCOI** module. Should you have any questions, please contact the Research Integrity Office via the Office of Research Compliance at coi@hawaii.edu.

PREPARING FOR ANNUAL KUALI FINANCIAL SYSTEM (KFS) EFFORT CERTIFICATIONS AND COST SHARING EFFORT CERTIFICATIONS

To comply with the requirements of the U.S. Office of Management and Budget's Uniform Guidance at [2 CFR 200.430](#) and support the University of Hawaii (UH) system of internal controls which provide reasonable assurances that compensation charges are accurate, allowable and properly allocated to an award, the annual Kualu Financial System (KFS) Effort Certifications and Cost Sharing Effort Certifications will be generated in mid-August 2020. The principal investigator (PI) must certify to the reasonableness of compensation that have been charged or cost shared to their projects. Fiscal administrators (FAs) should assist PIs with completing the certifications in accordance with the established deadline.

Please note that separate certification processes have been developed for compensation charged to or cost shared on your award.

- For compensation charged to your award, "KFS Effort Certifications" will be generated from payroll recorded in the KFS Labor Ledger. Effort Certification (EC) eDocs will be created and saved in your KFS action list.
- For compensation cost shared on your award, "Cost Sharing Effort Certifications" will be generated from the cost shared payroll recorded in the KFS cost share sub-account.
However, the Cost Sharing Effort Certifications are NOT in KFS but will be accessible online using your UH username and password.

In preparation for the creation of the annual KFS Effort Certifications and Cost Sharing Effort Certifications, please process all adjustments that impact fiscal year (FY) 2020 balances by **July 31, 2020**. For prior year Labor Ledger adjustments, Salary Transfer e-Docs should be prepared and routed for approval through KFS. For FY 2020 Cost Sharing adjustments, please refer to the accompanying newsletter article entitled "***Fiscal Year (FY) 2020 Cost Sharing Entry Adjustments***".

Detailed instructions for certifying both KFS Effort Certifications and Cost Sharing Effort Certifications will be provided in August 2020, along with the release of the certifications.

Should you have any questions, please contact Dawn Kim, Financial Compliance Manager, at dawnkim@hawaii.edu or (808) 956-0396.

FISCAL YEAR (FY) 2020 COST SHARING ENTRY ADJUSTMENTS

As noted in the above newsletter article, "***Preparing for Annual Kualu Financial System (KFS) Effort Certifications and Cost Sharing Effort Certifications***", in order to ensure that the fiscal year (FY) 2020 Cost Sharing Effort Certifications properly reflect the cost shared salary and wage amounts for University of Hawaii (UH) employees, please submit all FY 2020 salary and wage adjustments by **July 31, 2020**. Detailed instructions are provided below.

While other direct cost sharing amounts are not captured in the annual Cost Sharing Effort Certification, to ensure the timely recording of all direct cost sharing amounts, please submit all FY 2020 direct cost sharing adjustments by **July 31, 2020**. **DO NOT** submit these cost sharing effort adjustments in KFS. ORS will process a journal voucher (JV) to record these FY 2020 cost sharing entries.

FISCAL YEAR (FY) 2020 COST SHARING ENTRY ADJUSTMENTS (CONTINUED)

Instructions for recording FY 2020 direct cost sharing amounts after June 30, 2020:

Please prepare an Excel spreadsheet with the following information for FY 2020 cost sharing adjustments for UH personnel salaries, fringe and other direct costs. Email the Excel file to Karen Matsunaga, Financial Services Assistant Manager, at klmatsu@hawaii.edu. The subject line should read "FY 2020 Cost Sharing Adjustments."

Chart	Account	Sub-Account	Object Code	UH ID	Source Account (Chart/Account)	Cost Sharing Period (FY 2020)	Adjustment Amount (round to nearest \$)	
							DR	CR
		CS001	7810 Salaries & Wages (7820 contra account)	Required for adjustments to 7810	Required	Required		
		CS001	7811 Fringe Benefits (7821 contra account)	Required for adjustments to 7811	Required	Required		
		CS001	7812 Direct Costs (7822 contra account)	N/A	Required	Required		

For cost sharing of external support, unrecovered indirect costs and tuition waivers, please continue to submit any adjustments via the KFS Distribution of Income and Expense (DI) e-Doc.

As described in [AP 12.410, Accounting for Cost Sharing](#), proper supporting documentation must be maintained for all cost sharing amounts reported. The PI and project staff are responsible for providing any supporting documentation requested by sponsors and/or auditors.

Should you have any questions, please contact Suzanne Eghan, Extramural Funds Accounting Manager, at efhans@hawaii.edu or (808) 956-4061.

OFFICE OF MANAGEMENT AND BUDGET (OMB) MEMORANDUM M-20-26, EXTENSION OF ADMINISTRATIVE RELIEF

On June 18, 2020, the Office of Management and Budget (OMB) issued [M-20-26](#), “Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations”, extending the following flexibilities originally granted in OMB Memorandum [M-20-17](#).

1. Allowability of Salaries and Other Project Activities

Awarding agencies may allow recipients to continue to charge salaries and benefits to active federal awards consistent with the recipient’s policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources (federal and non-federal) through September 30, 2020. The University of Hawaii (UH) policy for salary payments during this period is documented in the “COVID-19 UH Leave Flowchart”, available by login to UH employees at the [Office of Human Resources website](#). In cases where a non-essential (Faculty, APT, Civil Service or Executive Management) employee is unable to work remotely, the employee will be placed on administrative leave and there will be no change to their normal pay or leave accrual.

2. Extension of Single Audit Submission and COVID-19 Emergency Acts Fund Reporting

The Single Audit extension to December 2020 does not impact UH since the fiscal year (FY) 2019 Single Audit was issued last December. However, UH is required to separately identify COVID-19 Emergency Acts expenditures beginning with our FY 2020 Single Audit. ORS has developed a process to identify COVID-19 related proposals and extramural awards as well as flag accounts for these awards in KFS. For agencies that may be repurposing supplements and increments on existing extramural awards for COVID-19 activities, a separate account is required to track these COVID-19 expenditures.

All COVID-19 extramural accounts should have a “COV” indicator in the Financial Reporting Code field of the Contracts & Grants tab. Please work with your [assigned ORS Accountant](#) if you have any questions regarding new accounts with the “COV” indicator.

While these flexibilities have been extended to all federal agencies, to date only the [National Institutes of Health](#) and [National Science Foundation](#) have posted guidance on their implementation of OMB Memorandum M-20-26. The Council on Governmental Relations (COGR), the national authority on the financial and regulatory infrastructure and compliance requirements associated with the management of federal research contracts and grants, has also prepared an analysis on the extension of implementing these flexibilities and stresses the importance of maintaining clear documentation regarding efforts to exhaust other funding sources and reduce overall operational costs in order to preserve federal funds for the ramp-up effort.

During these challenging times, it is critical to maintain appropriate cost documentation and records while exercising strong internal controls and practicing effective financial stewardship. COGR’s [“Institutional and Agency Responses to COVID-19 and Additional Resources”](#) page is a good reference source for OMB, federal agencies and Institutional resources and guidance. While ORS will continue to share updates through the ors-announce listserv, please also check your individual sponsor’s COVID-19 websites, as information is continuously updated.

Should you have any questions, please contact ORS Financial Compliance at orscomp@hawaii.edu.

IMPLEMENTATION OF REVISED NATIONAL SCIENCE FOUNDATION (NSF) PROPOSAL POLICIES AND PROCEDURES GUIDE (PAPPG)

Effective as of June 1, 2020, the National Science Foundation (NSF) has implemented the "[Proposal and Award Policies and Procedures Guide \(PAPPG\) \(NSF-20-1\)](#)" for proposals submitted or due, and awards made on or after that date.

The requirement to use an NSF-approved format for the biographical sketch, and current & pending support sections of NSF proposals, will go into effect for new proposals submitted or due on or after October 5, 2020. In the interim, proposers must continue to prepare these documents in accordance with the guidance specified in the PAPPG sections [II.C.2.f](#) and [II.C.2.h](#).

In accordance with the revised PAPPG, NSF has also made updates to the following:

- [Policy guidance for NSF-Approved Formats for the Biographical Sketch](#);
- [Policy guidance for NSF-Approved Formats for Current & Pending Support](#);
- [NSF Biographical Sketch and Current & Pending Support Fillable PDF Document Frequently Asked Questions \(FAQs\)](#);
- [Frequently Asked Questions on Current & Pending Support PAPPG \(NSF 20-1\)](#); and
- [Using SciENCv Frequently Asked Questions](#).

In addition, webinars covering the use of NSF-approved formats, as well as all of the significant changes to the PAPPG, are available on the [NSF Policy Outreach website](#).

Should you have any questions, please contact your [assigned ORS Specialist](#).

NATIONAL INSTITUTES OF HEALTH (NIH) POLICY UPDATE REGARDING SEXUAL AND OTHER TYPES OF HARASSMENT

On June 11, 2020, the National Institutes of Health (NIH) released notice number [NOT-OD-20-124](#), Guidance Regarding Change in Status, Including Absence of PD/PI and Other Key Personnel Named in the Notice of Award. This included an update regarding safety and/or work environments (including sexual or other harassment, and hostile working conditions) to better position NIH to enable informed grant-stewardship decisions regarding matters including, but not limited to, substitute personnel and institutional management and oversight.

For additional information and guidance, please refer to NIH's "[Anti-Sexual Harassment: for NIH Awardee Organizations and Those Who Work There](#)".

Questions or inquiries should be directed to the NIH Office of Policy for Extramural Research Administration at GrantsPolicy@nih.gov or (301) 435-0949.

RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII (RCUH) ACCOUNTS PAYABLE

For proper year end accounts payable reporting, please promptly process the Research Corporation of the University of Hawaii (RCUH) payments on invoices with service dates on or prior to June 30, 2020. For payments of \$100,000 or greater with services dates of June 30, 2020 or earlier, but which are approved after July 31, 2020, please refer to the "**Reminder**" section included in RCUH's "[Financial System Processing Now Available](#)" announcement.

ORS HELPLINE FREQUENTLY ASKED QUESTIONS

What are unrecovered Facilities & Administrative costs?

Unrecovered Facilities & Administrative (F&A) costs are the difference between the amount awarded and the amount which could have been awarded under the recipient's approved negotiated indirect cost rate (F&A rate), where a lower indirect cost rate is applied to an award.

Unrecovered F&A applies where any of the following apply:

- The award or sponsor's F&A rate is less than the university's standard F&A rate, which is the federally negotiated rate; or
- The principal investigator obtains a written F&A cost reduction or waiver from the appropriate campus chancellor or chancellor's designee.

According to OMB Circular A-110 and 2 CFR 200.306, the unrecovered indirect cost may be included as a part of cost sharing or matching only with the prior approval of the federal awarding agency.