

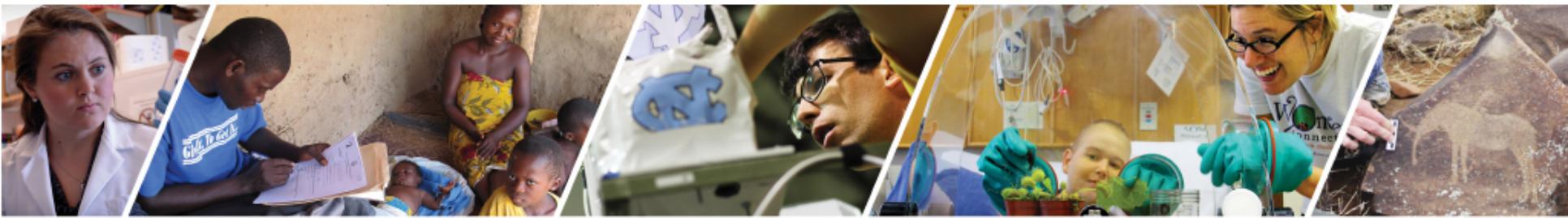
Impact of COVID-19: Managing Federal Funding

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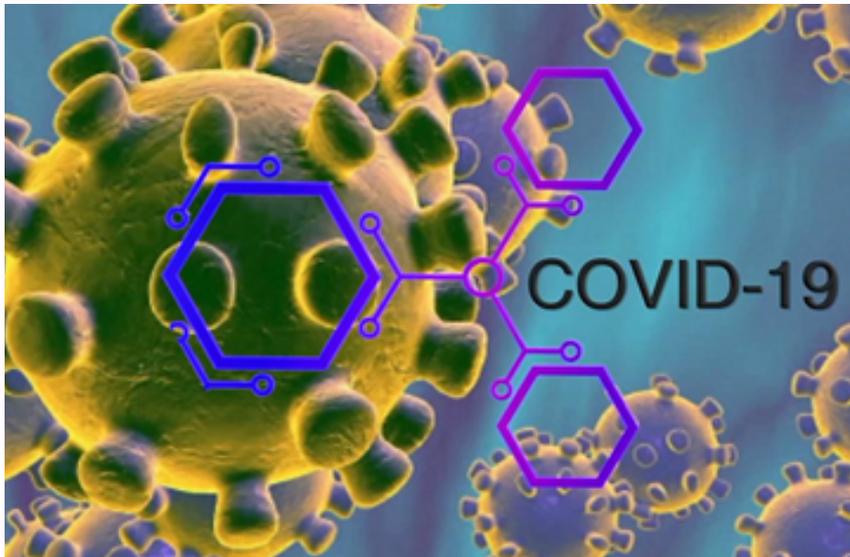
Office of Sponsored Research

July 7, 2020



Impact of COVID-19 Webinar Series

Evolving Situation



Managing grants and contracts is an evolving situation

As guidance comes out from our sponsors the information provided can change

The details provided in today's webinar are up to date as of July 7th.

Sponsor and university guidance can change so keep an eye out for updates and if unsure ASK your SPS!

Today's Webinar

What will be covered

- How to manage federally funded projects impacted by COVID-19
- Better Understanding of the Differences between Grants and Contracts
- Broad overview of the flexibilities provided by OMB and our sponsors
- Resources & FAQ's for federally funding projects

What will not be covered

- How to manage any other source of funding impacted by COVID-19 (Industry webinar available and Future Non-Profit webinar)
- Detailed information on salary and effort (Future webinar)
- Resources & FAQ's for non-federal funded projects

Overview

Impacts of COVID-19 on Federally Funded Projects

- Difference between Federal Grants & Contracts
- Key Takeaways
 - Managing Federal Grants Impacted by COVID-19
 - Managing Federal Contracts Impacted by COVID-19
- Resources

Federal Grants vs Federal Contracts

Typical Grant Features

- A **flexible instrument** designed to provide money to support a public purpose.
- Governed by the terms of the grant agreement.
- **Flexible** as to scope of work, budget, and other changes.
- Diligent efforts are used in completing research and the delivery of results.
- Payment awarded in annual lump sum.
- Annual reporting requirements.
- **PI has more freedom to adapt the project and less responsibility to produce results.**

Typical Contracts Features

- A binding agreement to procure services for the benefit of the US Government.
- Governed by Federal Acquisition Regulations (FAR)
- **Relatively inflexible** as to scope of work, budget, and other changes
- Significant emphasis placed on delivery of results, products, or performance
- **Payment based on deliverables and milestones**
- Frequent reporting requirements
- **High level of responsibility to the sponsor for the conduct of the project and production of results.**

Managing Federal Grants Impacted by COVID-19

Overview:

- Office of Management and Budget
- University Policy
- Sponsor Guidance

Office of Management and Budget Flexibility (M 20-26)

<https://www.whitehouse.gov/wp-content/uploads/2020/06/M-20-26.pdf>

OMB 20-26 provides an extension for some of the flexibilities provided in OMB M20-17 & OMB M-20-20

Extension of Allowability of Salaries and Other Project Activities through September 30, 2020

- Allows for recipients to continue to charge salaries and benefits to active federal awards consistent with University Pandemic Policy from all funding sources.
- **Payroll costs paid by any Federal CARES Act programs must not also be charged to grants.**
- **Due to limited funding resources recipients are encouraged to exhaust other available funding sources to sustain workforce. Recipients should retain documentation of their efforts to exhaust other funding sources to reduce overall operational costs.**

Extension of Single Audit Submission through December 31, 2020

University Policy

UNC Chapel Hill Pandemic and Communicable Disease Emergency Policy:

<https://unc.policystat.com/policy/7824105/latest/>

<https://www.unc.edu/posts/2020/03/17/reduced-operations/>

- Campus Closure
- Social Distancing
- Communicable Disease Mandatory Employees (CDMEs)
- CDMEs – Time and One-Half Compensation
- Paid Administrative Leave: **Consistently paid off all funding sources**
 - Full Salary Covered from March 20, 2020 – May 31, 2020
 - 2/3 Salary Covered from June 1- June 30, 2020
 - 1/3 Salary Covered from July 1- until revised or rescinded
- Families First Coronavirus Response Act (FFCRA)- Effective April 1, 2020 – December 31, 2020 (separate from Paid Administrative Leave and not covered on Federal Grant or Contract Funding): <https://hr.unc.edu/benefits/ffcra-facts-faqs/>

Sponsor Guidance

Highlights of flexibility provided by NIH due to COVID-19:

<https://grants.nih.gov/policy/natural-disasters/corona-virus/nih-omb-memo.htm>

- NIH- Implementation of OMB M-20-26
 - Extension of Allowabilities of Salaries and Other Project Activities (2 CFR 200.403, 2 CFR 200.404, 2 CFR 200.405)
 - Extension of Single Audit Submission and COVID-Emergency Acts Fund Reporting (2 CFR 200.512)
- New & Updated flags have been added to the individual NIH FAQs to align them with OMB M20-26 as of July 2, 2020: <https://grants.nih.gov/faqs#/covid-19.htm?anchor=question55929>
- Documentation & Notification
 - RPPR
 - Maintain appropriate records and cost documentation to substantiate the charging of costs related to the interruption of operations or services

Sponsor Guidance (Cont.)

Highlights of flexibility provided by NSF due to COVID-19:

https://www.nsf.gov/bfa/dias/policy/covid19/covid19_nsfomb2026implementation.pdf

- NSF Implementation of OMB M 20-26:
 - **Allowability of Salaries and Other Project Activities**
 - Extension of Single Audit Submission and COVID-19 Emergency Acts Fund Reporting

NSF COVID-19 News & Updates Available:

https://www.nsf.gov/news/special_reports/coronavirus/

Sponsor Guidance (Cont.)

RPPR/ Progress Reports: <https://research.unc.edu/2020/06/16/covid-19-impacts-and-federal-progress-report-submissions/>

- As a reminder, it is a **requirement** to include research impacts of COVID-19 in your progress reports or RPPRs. Recipients of federally funded research must report on any effects of COVID-19 on the research in their next progress report submission.
- The Office of Sponsored Research (OSR) offers a [sponsor letter template](#) that may be referenced for standard language appropriate in detailing the University's guidance on reduced operations. However, **DO NOT** submit standard letters (unless directed by the sponsor). For assistance with completing and/or submitting the reports, please work with your [OSR Sponsored Projects Specialist or Sponsored Programs Grants Analyst](#).

Managing Federal Grants Impacted by COVID-19

Key Takeaways

- OMB, Sponsor, and Universities guidance provides for flexibilities and waives prior approval request
- **Documentation** is very important!
- Consistency with the Universities policy on how we charge funding is required
- Notification through progress reports is required

Managing Federal Contracts Impacted by COVID-19

Overview

- Prior Approval Request (PAR) Process
- CARES Act Guidance

Prior Approval - Requirements

500.03 Prior Approval Requests: <https://unc.policystat.com/policy/6590533/latest/>

- Prior Approval Requests (PAR) – Work with department research administrator to identify changes requiring approval due to the impact of COVID-19 such as:
 - Administrative Leave Pay for Idle Staff not Working on Project
 - Changes in Deliverable Schedule
 - No-Cost Extension
 - Additional Funding Request
- Complete the Prior Approval Request Form: <https://research.unc.edu/sponsored-research/forms/#secPrior>
 - Instructions & Form
 - Submit PAR to OSR (ResAdminOSR@unc.edu)

CARES ACT Guidance

https://www.acq.osd.mil/dpap/pacc/cc/docs/covid-19/FAQ_Implementation_Guidance_CARES_Act_Sec_3610_2020.04.24.pdf

- Implementation Guidance for Section 3610 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act: Contractors may receive reimbursement if they can document that the employees:
 1. if not for the COVID-19 pandemic, would work on a site approved by the Government pursuant to the contract(s) under which the claimed costs are sought;
 2. could not perform work on such Federal Government approved site due to closures or other restrictions resulting from the COVID-19 pandemic;
 3. were unable to telework or otherwise work remotely under the applicable contract(s) during the COVID-19 pandemic;
 4. received paid leave for some period between January 31, 2020, and September 30, 2020, and
 5. were paid leave at rates calculated based on the rates the contractor would have paid the employees to whom it is providing paid leave, but for the COVID-19 pandemic.
- If you are an awardee of a federal contract and need to request reimbursement, please reach out as soon as possible to the [Office of Sponsored Research](#). **Your [Sponsored Projects Specialist](#) will review and submit your request to the sponsoring Contracting Officer for prior approval.**
- **Additional Resource:** <https://governmentcontractsnavigator.com/2020/04/16/implementation-guidance-for-section-3610-of-the-cares-act/>

Managing Federal Contracts Impacted by COVID-19

Key Takeaway

- PRIOR APPROVAL IS **REQUIRED!**
- **Documentation** is still very important!

University Additional Resources

OSR COVID-19 Guidance and Resources Webpage

- Key Campus Messages and Guidance
- Sponsor Guidance and External Resources
- COVID-related FAQs
- Training

<https://research.unc.edu/sponsored-research/resources/covid-19/>

Office of the Vice Chancellor for Research Responds to COVID-19 Webpage

- Major Campus Messages
- Direction & Guidance for resuming Research on Campus
- Guidance from Federal Agencies
- Funding Opportunities
- Proposal Submission and Award Management (OSR)
- Animal Care (DCM & OACU)
- Clinical Trials and Human Subjects Research
- Conflict of Interest
- Human Resources and Personnel Information for Faculty, Staff, Postdocs, Graduate Students

<https://research.unc.edu/covid-19/>

Contact Information

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ResAdminOSR is responsible for all general inquiries, proposal requests, new awards, modifications/amendments, audit information requests, and research system access requests.

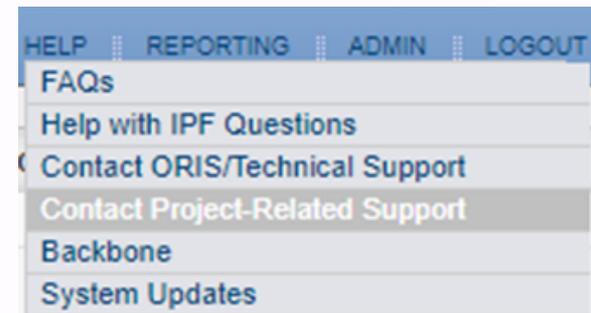
- RAMSeS Help Function: Contact Project-Related Support

- Use this tool if you need to find the appropriate SPS

- Search: Proposal #, Award Project #, Department, or PS Project ID

- Sponsored Programs Office UNC School of Medicine:

<https://www.med.unc.edu/spo/home/contact/>



Questions

