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# EC & US Federal Funding

*“10 Questions to decipher idiosyncrasies”*

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# Q1: Eligibility

## Are PIs at York eligible to apply?



- UK is full member of the European Union with all rights and obligations right until the end of the 2-year period (March 2019) following the trigger of Article 50
- [Draft Agreement on the withdrawal](#) of the UK from the EU: article 131 Draft Agreement on the withdrawal of the UK from the EU: the UK will continue to pay net contributions until the end of the current EU budget plan in 2020. The UK will continue to benefit from EU programmes during the period 2019-2020 post exit, including from Horizon 2020, the Health Programme and Creative Europe.

### Depends.

- In general 'foreign [non-US] entities' are eligible for most NIH schemes. This includes as lead.
- For the NSF, the PI must be an employee representing a US PhD-granting institution. Researchers from non-US institutions cannot act as PI, or Co-PI, rather as 'Foreign Collaborators.'
- A recent Dept of Energy call specified any non-US entity wishing to act as lead *"must designate in the pre-application and full application a subsidiary or affiliate incorporated (or otherwise formed) under the laws of a State or territory of the United States to be the lead organization."*

FOAs (Funding Opportunity Announcements) should have a section on eligibility but please ask RGC

## Q2: Funding trends



Is funding changing in the next couple of years, and what is the funding trend?

WP 2018-2020, with calls worth over €30 billion, include fewer topics with bigger budgets, directly supporting the Commission's political priorities:

- A low-carbon, climate resilient future: €3.3 billion;
- Circular Economy: €1 billion;
- Digitising and transforming European industry and services: €1.7 billion;
- Security Union: €1 billion; and
- Migration: €200 million.

?

NIH budgets had been increasing but the rhetoric coming out of the White House with regard to what is to be protected and what is to be cut changes regularly

# Q3: Terminology



What do the following terms mean?

**Beneficiary/Partner/Coordinator:** Beneficiary receives funding directly from EC

**Experienced Researcher(ER):**after PhD /**Early Stage Researcher (ESR):** before PhD

**Grant Agreement:** Contract between the EC and all the beneficiaries

**Consortium Agreement (DESCA):** Contract between all beneficiaries (may include partners)

**Member State/Associated country/Third country:**

**Fringe Benefits:** Best fit are UK on-costs - NI, pension and Apprenticeship Levy

**Uniform Guidance:** Standard set of terms which consolidate and update previous guidance. This is supposed to apply to awards made by all US Federal Agencies

**F&A: Facilities and Administration costs:** Indirect costs at a low rate (10%) intended to cover 'compliance costs' - i.e. grant management

**MTDC: Modified Total Direct Costs:** Total to which the F&A rate is applied

**FWA: Federal Wide Assurance:** ethics compliance requirement for US funders where research involves human subjects

# Q4: Ethics



## What do PIs need to do to fulfil ethics requirements?

- Bespoke response required, not boilerplate text. PI/Co-Is need to identify risks and issues and explain how they will be mitigated.
  - Formal ethical approval on the University's behalf will be required if risks/issues identified.
  - Consortia: University policy on internal/external review.
- Federal Wide Assurance compliance
  - University's registered IRB: Health Sciences Governance Committee
  - Brokered by RSPO (Alice Wakely). Chair also liaises with 'substantive' ethics committee.
  - Usually only undertake ethical review once funding confirmed. For funding application stage:
    - IRB application number from RSPO
    - University FWA registration details (see web link below)
  - Ethical review - ADVANCE NOTICE REQUIRED:
    - Additional paperwork to demonstrate compliance with Common Rule
    - Additional Committee representation required if research involves vulnerable participants (e.g. pregnant women, prisoners).
  - Requirement for continuing ethical review on annual basis.
  - In the case of collaborative projects and/or projects involving subcontracting of research activity, PIs should seek clarification on FWA requirements from Research Grants and Contracts.
  - <https://www.york.ac.uk/staff/research/external-funding/us-funding-federal-wide-assurance/>

# Q5: Funding rates (Overheads)



Do we get a contribution to overheads?

Yes, you always get a contribution to overheads.

In H2020 the funding rate was simplified and the standard across most H2020 projects is 100% for direct eligible costs and a flat 25% of direct costs for indirect costs (overheads) as with most other Horizon 2020 actions.

The exception are Marie Curie grants where beneficiaries get a flat rate per month.

Yes, you should do. But...

45 CFR 75.414(f) of current Uniform Guidance states:

*“any non-Federal entity that has never received a negotiated indirect cost rate[i.e. York]...may elect to charge a de minimis rate of 10% of modified total direct costs”*

The rate is low because the US govt doesn't want to fund the running costs of overseas organisations thus this rate is intended to cover 'compliance costs.' These are basically the costs associated with ensuring that we comply with federal requirements - i.e. grant management.

# Q6: Eligible costs

What type of costs can we claim?



	EC	US Fed		Comments
		OK?	MTDC	
Staff	X	X	X	EC: hours actually worked for the project (timesheets)
Students	X	X	X	
Student fees	X	X		EC: if the student letter includes the amount
Admin/PM	X	X	X	EC: must be included appropriately
Equipment	X	X	If <\$5k	EC: over its useful life & according to project's usage
Consumables	X	X	X	
Computer	X	If <\$5k	X	EC: if necessary for the project
Travel	X	X	X	EC: details recorded in Agresso
DA Facilities	X	X	X	EC: if UoY official unit cost
Subcontract	X	X		EC: if followed UoY tendering
VAT and taxes	X	X	X	EC: in H2020

EC eligible if:

- Actual & incurred
- Necessary and proportionate
- According to national law
- According to institutional practice

US

- "Allowable, allocable and reasonable"
- According to national law
- According to institutional practice

# Q7: Audits

## Are projects subject to audit? What gets audited?



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EC can audit any project up to 2 years after final payment looking at:

- time records (timesheets)
- original invoices and receipts related to all items of expenditure in the claim(s)
- evidence of attendance at meetings: agendas, participants' lists, presentations given
- evidence for meeting organisation: agendas, participants' lists, presentations given
- lab-books, publications, other outputs
- evidence of having followed the [UoY Travel and Expenses policy](#)
- subcontracts and evidence of having followed the [UoY procurement processes and rules](#)
- evidence of transparent recruitment
- Marie Curie has slightly different audit on eligibility of fellows, recruitment and evidence of activity

Lead organisation holds audit responsibility and as the bulk of York's US Federal portfolio is held as a subrecipient, these would not be expected to receive an audit. But...

- Project specific audits do take place, so where we lead we could be liable for one
- A York-led State Dept funded project received a Grant Monitoring Site Visit in 2013
- When institutional expenditure on Department of Health and Human Services (e.g. NIH) funded grants exceeds \$750k per financial year, a Single Audit (previously known as A-133) is required. This is an audit of the institutional processes in general, rather than project specific finances.  
i.e. University expenses policy and associated procedures, rather than specific expenses claims
- Should they have concerns over financial risk, the Federal Govt can and will audit subrecipients

# Q8: Project co-ordination



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We are thinking about co-ordinating a multi partner project: what are the kind of responsibilities that we should be aware of?

5 key responsibilities for Horizon 2020 project coordinator

- Act as intermediary between the European Commission and the other consortium partners
- Monitor compliance with the project
- Distribute the project finances, keep financial records and provide information to the Commission upon request
- Request and review any documents or information required by the Commission and verify their correctness and completeness before submission
- Submit the deliverables and periodic reports to the Commission

***Any UoY coordinated project is recommended to have a minimum of a 0.5FTE Project manager at Grade 6***

Standard co-ordination requirements, including submission of deliverables and periodic reports. In addition, the lead organisation has full responsibility for ensuring that all partner:

- finances are expended in line with Federal requirements
- processes for ethical assurance are in place and up to date (i.e. FWA, Animal Welfare Assurance, etc)
- Financial Conflict of Interest policies meet the requirements of current Public Health Service policy and if not that they agree to follow the policy of the lead organisation  
(note - currently York does not have any formal FCol policy)

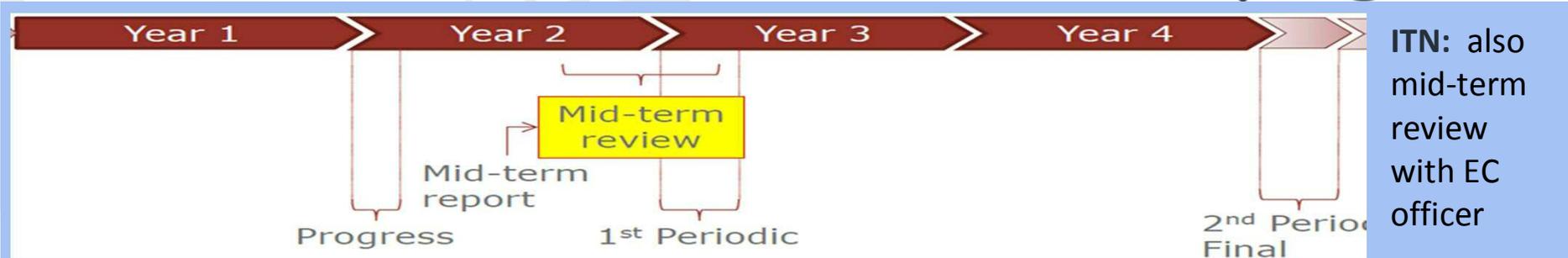
The lead may include the initial \$25,000 expenditure p/a of each partner in their MTDC

# Q9: Reporting



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What are the financial and activity reporting requirements like?



4 financial reports ⇒ submitted by the **Host Institution**



ERC: also Mid-term scientific report

**Collaborative projects:** reporting scheduled determined by EC at beginning of project, usually 12 or 18 month financial and activity reporting including project review meetings with EC officer.

Varies depending on the Federal Agency providing funding, the role of the institution, and whether the award is a Grant or a Contract. For example, the lead organisation on an NIH award must:

- Progress reports: Research Project Performance Report submitted electronically through eRA Commons
- Financial reports: 'cash transaction data' 1/4ly through Payment Management Services, 'expenditure data' directly to NIH in a Federal Financial Report. Submitted electronically via Payment Management System
- Closeout: Final progress and financial reports required, plus a Final Invention Statement and Certification

As a subrecipient we submit invoices to the lead on a quarterly basis based on actual expenditure, the PI provides periodic scientific reports to the lead, and we must provide a closeout statement at project end

# Q10: e-Portals



Is there an electronic tool/portal for this funder?

The **Participant Portal** <https://ec.europa.eu/research/participants> Registered users

- submit your proposal
- sign the grant
- manage your project throughout its lifecycle
- register as expert advising the Commission

(Search for funding, H2020 Online Manual, download legal documents, contact EC support services, FAQs)

EU R&D Team (UoY) <https://www.york.ac.uk/staff/research/external-funding/european/>



[EU Funding Google+ @ UoY](#). Monitor funding developments as they are published

The Federal Government has multiple platforms:

**System for Award Management (SAM):** Record of institutional information, organisations must be registered to access Federal funding. York is registered.

**Grants.gov:** Editable online PDFs used by all Federal Agencies, in theory a one stop shop for Federal funding... except:

**Fastlane:** The National Science Foundation's research management portal - doesn't interact with Grants.gov

**eRA Commons:** the NIH's research management platform, potential applicants must be registered

**ASSIST:** the NIH's platform for interacting with Grants.gov. Pleasingly intuitive

**Payment Management System:** used to draw down funds and submit financial reports. Not pleasingly intuitive



## Further questions?

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### **Ethics (incl. Federal Wide Assurance):**

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