# Research Administration and Compliance Meeting
# Wednesday, October 30, 2013, 1:00 – 3:00 p.m.
# Larrick Hall, Court End Ballroom B

## Agenda

**Grants & Contracts Updates (G&C)**

- Staffing Update
- NIH Notice NOT-OD-13-120
- NIH Transition to Subaccounts
- Effort Reporting Update

**Integrity and Ethics Updates (ORIE)**

- PI designation for industry sponsored fellowship support for School of Medicine ACGME programs
- Review of select COI Policy elements
- Process for departmental notification and management for conflicts requiring an exception from state prohibited contracts

**Subjects Protection Updates (ORSP)**

- Staffing Update
- AAALAC Accreditation
- Controlled Substances Reminder

**Clinical Research Services Updates (CRS)**

**Sponsored Programs Updates (OSP)**

- Staffing Update
- VCUeRA Training Requirement Change
- Shutdown Impacts

**Research Administration and Compliance (ORAC)**

- Staffing Update
- Compliance Education Module
- CAR Membership
- Export Control Overview and Updates

**Future Meeting Dates, 1-3 p.m.**

- February 19, 2014, Larrick Court End A
- April 24, 2014, Larrick Court End A

# Research Administration and Compliance Meeting

## G&C Accounting Updates; October 30, 2013

# G&C/Effort Staffing Changes

-Odesta Cobbs retired effective 8/31/2013

-Presepine Fleming is new G&C Manager, Delta Team and Cash Compliance Supervisor

-Margaret “Maggie” Gallagher-Mondak is the newest member to the Alpha Team

-Tricia Kelley assumes Effort Supervisor role

# G&C/Effort Staffing….cont.

-Rebecca Bockus is out of the office for medical reasons.  Until further advised please contact Christine Tanner-Walker (Gamma Team) in Rebecca's absence.

# Effort Reporting Update

## GREAT NEWS REPORT

Remaining Effort Statements *Information As of 10-29-2013*

Semester Period (5-10-2013 to 8-9-2013) Due 11/14/13

Has 167 (48.13%) remaining

Quarterly Period (6-10-2013 to 9-9-2013) Due 12/15/2013

Has 567 (41.12%) remaining

Semi-Annual Period (12-10-2012 to 6-9-2013) Due 10/21/2013

Has 92 (7.39%) remaining

Thank you for all of your efforts in having effort statements certified in a timely manner

# NIH Notice NOT-OD-13-120

- NIH transition to new HHS payment policy
- Transition to subaccounts for continuations beginning 10/1/2014
- New document number and project period end date change
- Greater enforcement by HHS institutes of 90 closeout and availability of funds for reimbursement to VCU

# G&C immediate priorities

Close-outs, required documents needed

Policies and Procedures revisions

Internal Training due to staffing changes

Preparation for audit

Continued adaptation to research dashboard and federal agency changes

# Thanks…….

The staff in the Office of Grants and Contracts Accounting would like to thank you for your continued support towards research fiscal compliance!

Contact our Helpline at 804-828-8104 for assistance, or email GCAVCU@vcu.edu or effortreport@vcu.edu

# NIH Domestic Awards to Transition to Payment Management System Subaccounts in FY 2014 and FY 2015

## Notice Number: NOT-OD-13-120

## Key Dates
**Release Date:** September 26, 2013

## Related Announcements
NOT-OD-13-112
NOT-OD-13-111
NOT-OD-13-079
NOT-OD-12-139

## Issued by
National Institutes of Health (NIH)

# Purpose

This guide notice alerts grantees to a change in the implementation timeline, previously announced in NOT-OD-13-112, for the NIH transition to new U.S. Department of Health and Human Services (HHS) payment policies for grant awards and use of Payment Management System (PMS) subaccounts.

NIH will transition all award payments to the PMS subaccounts by the end of FY 2015. To help minimize grantee burden for the transition in FY 2014, NIH will only establish PMS subaccounts for domestic awards that have new document numbers. However, in response to feedback from the grantee community, NIH has delayed the implementation for non-competing continuation awards to October 1, 2014, to allow grantees a year to prepare their systems to accommodate the changes.

This Guide Notice only applies to domestic awards. NIH transitioned the payment of grant awards to foreign institutions to PMS subaccounts throughout FY 2013; see NOT-OD-12-139 and NOT-OD-13-019. Also, see companion Notice NOT-OD-13-111 on transitioning payment of Federal Institutions and Individual Fellowships at Federal and Foreign Institutions to PMS subaccounts.

**Background**
Most payments for NIH domestic awards are currently made via pooled accounts in PMS, which is a centralized grants payment and cash management system operated by the Division of Payment Management (DPM) HHS.

Payments for NIH awards to Federal institutions, Federal Fellows and Foreign Fellows are currently made directly by the Office of Financial Management (OFM), NIH.

**Revised Implementation Timeline**
The transition of all NIH awards to PMS subaccounts is anticipated to take place in FY14 and FY15.

*FY2014 Implementation Plans for Awards with New Document Numbers*
Between October 1, 2013 and September 30, 2014, NIH will transition payment for all domestic awards with new document numbers (i.e., Type 1, Type 2, Type 4, Type 6, Type 7, and Type 9) from PMS pooled accounts (G accounts) to PMS subaccounts (P subaccounts). For these types of awards, PMS will establish subaccounts for each NIH award made on or after October 1, 2013. All subsequent non-competing continuation awards will be issued in subaccounts.

*Anticipated Implementation Plans in FY2014 and FY2015 for Type 3 Awards*
Please be aware that competitive revisions/supplements (Type 3s) issued to domestic awards in FY 2014 and FY 2015, will be issued in the same account as the parent award. If the parent award is in the pooled account at the time the Type 3 is issued, the Type 3 will be in the pooled account too. If the parent award was issued in a P subaccount at the time the Type 3 is issued, the Type 3 will also be in the P subaccount account.

*Anticipated FY2015 Implementation Plans for All Other Domestic Awards*
Between October 1, 2014 and September 30, 2015, NIH will transition payment for all continuing domestic awards (i.e., Type 5 and Type 8) awards that have not yet transitioned to subaccounts from PMS pooled accounts (G accounts) to PMS subaccounts (P subaccounts). For these types of awards, PMS will establish subaccounts for each NIH award made on or after October 1, 2014.

For domestic grants with a non-competing continuation year of funding in fiscal year (FY) 2015 (October 1, 2014 – September 30, 2015), NIH will use a technical process to shift the funding from PMS G accounts to PMS P subaccounts by issuing all FY 2015 non-competing continuation awards that have not yet transitioned to subaccounts as Type 4 awards (funded extension awards). This means that all domestic Type 5 awards (non-competing continuation awards) and Type 8 awards (non-competing continuation awards with a change of awarding Institute or Center), will be issued as Type 4s during the transition period. This enables NIH to separately track obligations and payments for grants that span the Federal FYs 2014 and 2015. In addition to changing the record Type and the document number for the FY 2015 award, NIH will change the project period end date of the FY 2014 award when the FY 2015 award is issued. The project period end date will be changed to the budget period end date. This effectively breaks the single competitive segment into two shorter "competitive segments." The change will be reflected in the eRA Commons; however, NIH will not issue a revised Notice of Award (NoA) for the FY 2014 award. Therefore, the FY 2014 award becomes the final year of the first "competitive segment" and requires final Federal Financial Report (FFR) expenditure data. If the award is under Streamlined Non-competing Award Process (SNAP), the grantee will be required to submit FFR expenditure data that covers the project period from the original start date through the new project period end date.

NIH will make this transition as seamless as possible for grantees and NIH staff. Records for non-competing continuation progress reports (Type 5s), or in rare instances Type 8s, that have not yet transitioned to subaccounts will be converted to Type 4s. The conversion will be processed internally by NIH. There will be no change to the due dates, submission, or review of progress reports for domestic awards for FY 2015.

Please see below for procedural changes in carryover of funds for non-competing continuation awards issued in FY 2015.

**Change in Process to Carryover Funds and Federal Financial Reports for Domestic Non-Competing Continuation Awards during FY 2015 (October 1, 2014 – September 30, 2015).**
Non-competing continuation progress reports (Type 5s), or in rare instances Type 8s, that were converted to Type 4s to accommodate the change in method of payment from the pooled accounting to subaccounts, require a final FFR for the prior year(s) of the competitive segment before any carryover funds would be available for drawdown in the PMS. However, this requirement does not change the carryover authority listed in Section III of the NoA. If the award was issued with automatic carryover authority, OFM will automatically authorize the carryover in the PMS P subaccount equal to the amount of unobligated balance reported on the FFR.* If the award was issued without carryover authority, OFM will automatically transfer the unobligated balance reported on the FFR to the PMS P subaccount; however, the grantee will still be required to submit a prior approval request to use carryover funds as detailed in the NIH Grants Policy Statement, Section 8.1.1.1. If the request is approved, a revised NoA reflecting the approved carryover amount will be issued and the authorized amount will be reflected in PMS. Failure to submit FFR expenditure data in a timely manner may affect future funding.

*In accordance with existing policy, the GMO will review unobligated balances in excess of 25 percent of the total authorized amount for the budget period and may request additional information from the grantee. If the GMO determines that some or all of the unobligated funds are not necessary to complete the project, the GMO may restrict the grantee's authority to automatically carry over unobligated balances in the future, use the balance to reduce or offset NIH funding for a subsequent budget period, or use a combination of these actions. The GMO's decision about the disposition of the reported unobligated balance will be reflected in the terms and conditions of the NoA.

An FFR to report expenditure information is not required for Kirschstein-NRSA individual fellowship awards.

**Change in Processing of Funds Requested for Awards in PMS Subaccounts that are 90 days Beyond the Project Period End Date**
When a federal grant expires, recipients can only use remaining grant funds to liquidate expenses incurred during the performance period. Federal grants management policy specifies that within 90 days of the project period end date the grant recipient must submit its final financial report for the grant, unless the awarding agency extends the project period end date or the reporting period due date. See NIH Grants Policy Statement Section 8.6 for more information on the grantee responsibilities for timely closeout is a grantee responsibility.

In an effort to promote more timely financial closeout of awards, PMS will now hold payment requests for funds in subaccounts for awards that are 90 days or more beyond the project period end date. Funds requests for these awards will not be processed unless, and until, the awarding Agency has approved the payment request.

**Frequently Asked Questions**
NIH will post answers to frequently asked questions on the transition to PMS subaccounts on the following site: http://grants.nih.gov/grants/frequent_questions.htm under the Other Policies/Resource heading, Payment (PMS Subaccounts).

## Inquiries

Please direct all inquiries to:

Division of Grants Policy
Office of Policy for Extramural Research Administration
Office of Extramural Research
National Institutes of Health
Telephone: 301-435-0949
Email: GrantsPolicy@od.nih.gov

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Weekly TOC for this Announcement
NIH Funding Opportunities and Notices

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National Institutes of Health
Office of Extramural Research

Department of Health and Human Services (HHS)

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**Note:** For help accessing PDF, RTF, MS Word, Excel, PowerPoint, Audio or Video files, see Help Downloading Files.

July 25, 2012

# GRANTS MANAGEMENT

## Improving the Timeliness of Grant Closeouts by Federal Agencies and Other Grants Management Challenges

GAO Highlights

Accountability * Integrity * Reliability

Highlights of GAO-12-704T, a testimony before the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, Committee on Homeland Security and Governmental Affairs, U.S. Senate

### Why GAO Did This Study

As the federal government confronts long-term fiscal challenges, it is critical to improve the efficiency of federal grants processes, such as grant closeout procedures that allow for the return of unspent balances to the Treasury. In 2008, GAO reported that about $1 billion in undisbursed funding remained in expired grant accounts in the largest civilian payment system for grants—PMS. For this statement, GAO provides information from its April 2012 report updating its 2008 analysis. GAO also describes federal grant spending over the last three decades and discusses other grant management challenges identified in its past work and that of others.

This testimony addresses (1) the amount of undisbursed funding remaining in expired grant accounts; (2) actions OMB and agencies have taken to track undisbursed balances; (3) GAO recommendations to improve grant closeout; (4) recent and historical funding levels for federal grants; and (5) GAO's ongoing and future work on grants management issues.

### What GAO Recommends

For grant closeout, GAO's April 2012 report recommended OMB revise future guidance to better target undisbursed balances and instruct agencies to take action to close out grants that are past their end date or have no undisbursed balances remaining. OMB staff said they generally agreed with and will consider the recommendations.

View GAO-12-704T. For more information, contact Stanley J. Czerwinski at (202) 512-6806 or czerwinskis@gao.gov or Beryl H. Davis at (202) 512-2623 or davisbh@gao.gov.

### What GAO Found

Closeout is an important final point of grants accountability. It helps to ensure that grantees have met all financial and reporting requirements. It also allows federal agencies to identify and redirect unused funds to other projects and priorities as authorized or to return unspent balances to the Department of the Treasury (Treasury). At the end of fiscal year 2011, GAO identified more than $794 million in funding remaining in expired grant accounts (accounts that were more than 3 months past the grant end date and had no activity for 9 months or more) in the Payment Management System (PMS). GAO found that undisbursed balances remained in some grant accounts several years past their expiration date: $110.9 million in undisbursed funding remained unspent more than 5 years past the grant end date, including $9.5 million that remained unspent for 10 years or more. Nevertheless, the more than $794 million in undisbursed balances remaining in PMS represents an improvement in closing out expired grant accounts with undisbursed balances in PMS compared to the approximately $1 billion GAO found in 2008. This improvement is notable given that the overall amount of grant disbursements through PMS increased by about 23 percent from 2006 to 2011.

When agencies made concerted efforts to address timely grant closeout, they and their inspectors general and auditors reported that they were able to improve the timeliness of grant closeouts and decrease the amount of undisbursed funding in expired grant accounts. GAO found that raising the visibility of the problem within federal agencies can also lead to improvements in grant closeouts. However, GAO's review of agencies' annual performance reports for fiscal years 2009 to 2011 found that systematic, agencywide information on undisbursed balances in grant accounts eligible for closeout is still largely lacking.

The challenge presented by undisbursed balances in expired grant accounts is just one of a number of grants management challenges identified in past GAO work. Addressing these challenges is critical to increasing the efficient and effective use of federal grant funds, which represent a significant component of overall federal spending. According to the Office of Management and Budget (OMB), federal outlays for grants to state and local governments, including Medicaid, increased from $91 billion in fiscal year 1980 (about $221 billion in 2011 constant dollars) to more than $606 billion in fiscal year 2011, accounting for approximately 17 percent of total federal outlays. During this 30-year period there has been a shift in grant spending, increasing the percentage of grant funding of Medicaid while decreasing the percentage of funding of non-Medicaid-related grant programs.

GAO work on grants over the last decade has identified a range of issues related to the management of grant programs, including the streamlining of grants management processes, the measurement of grant performance, grant lessons learned from implementing the American Recovery and Reinvestment Act of 2009, and internal control weaknesses. GAO will be looking at each of these grants management issue areas in future work for this Subcommittee.

# ORIE report for RACM:

AIRS status post 1 year implementation

Procedure for managing COI in research via exception to state prohibited contracts

Review of select COI Policy elements

PI designation for industry sponsored fellowship support for School of Medicine ACGME programs

Monika Markowitz, PhD
COIC Chair
Director, Office of Research Integrity and Ethics

10-29-2013 RACM

# AIRS status post 1 year implementation
(reported at 9/30/2013 COIC meeting)

- **Dispositions conveyed: 5565**
- Disposition of ‘No COI”:  5298 – (proposals and protocols) – > 95%
- Disposition of ‘CFI’:  7 - ~.1%
- Disposition of ‘COI Managed’:  9 - ~.2%

Procedure for managing conflicts of interest in research via an exception to state prohibited contracts

# ORSP/OSP interface with COI Program

- Formal protocol approval to the PI is contingent on a COI disposition – research can not begin until formal approval from ORSP is received

- Award for proposal/contract is not released until a COI disposition is reported to OSP

COI disposition includes: ‘no COI’, CFI or COI managed

… some conflicts are prohibited under state law…

# Code of Virginia – Conflict of Interests Act

## § 2.2-3106. Prohibited contracts by officers and employees of state government

A. No officer or employee of any governmental agency of state government … shall have a personal interest in a contract with the governmental agency of which he is an officer or employee, other than his own contract of employment.

C. The provisions of this section **shall not apply**:

8. Subject to approval by the relevant board of visitors, an employee's personal interest in a contract for research and development or commercialization of intellectual property between a public institution of higher education in Virginia … and a business in which the employee has a personal interest, if

(i)the employee's personal interest has been disclosed to and approved by such public institution of higher education …;

(ii)the employee promptly files a disclosure statement pursuant to § 2.2-3117 and thereafter files such statement annually on or before January 15 [*SoEI]*;

(iii)the institution has established a formal policy regarding such contracts, approved by the [SCHEV], a formal policy regarding such contracts in conformity with any applicable federal regulations that has been approved by its board of visitors; and

(iv) no later than December 31 of each year, the institution … files an annual report with the Secretary of the Commonwealth disclosing each open contract entered into subject to this provision…

E. The board of visitors may delegate the authority granted under subdivision C 8 to the president of the institution.

# COIC procedure

- Intake review of FIR in context of proposal/contract
- Notification to PI/investigator, Chair, administrator for Dept, re: prohibited contract identified, sent to COIC for consideration of exception on (date of meeting)
- COIC does or does not recommend an exception to state prohibition of dual contracts
- Notification to PI/investigator, Chair, administrator for Dept. re: status of exception recommendation; ongoing notices of status
- **If exception recommended, no work, no costs incurred until Departmental notification of President's approval of exception**

# COIC procedure (cont'd)

- Management plan developed, accepted by conflicted investigator, perhaps others, copied to PI, Chair, administrator – still no work, no costs
- COIC recommendation of exception and management plan forwarded to VPR; if acceptable, presented to President
- Not until President approves, and notice is given to PI/investigator, Dept Chair and administrator, can research begin and/or costs charged.

# Notes of caution:

- Advance index numbers – monitor these
- Take note of communications coming from AIRS or COIC Chair about status of COI management and exception
- DO NOT hesitate to contact COI Chair (or send email to AIRS@vcu.edu) to inquire about the status of COI/exception management
- It is a violation of state law if research and/or charges proceed without Presidential approval of an exception.

# Review of select COI Policy elements

http://www.assurance.vcu.edu/Policy%20Library/Conflict%20of%20Interests%20in%20Research.pdf

- PI designates 'COI investigator' – responsibility for design/conduct/reporting similar to PI

- Updates:
  - Annual – due July 1
  - Interim - within thirty (30) days of discovering or acquiring
    1) a new Financial Interest in an entity not previously reported or
    2) an additional remunerated Financial Interest, that, when added to a Financial Interest in a previously reported entity, meets or exceeds $5,000.
  - Relatedness of FI to research – current or proposed

- Annual update of COI management plan adherence

- Annual reports to PHS sponsors of COI and management status.

# FYI – from policy

- No request *as of yet* from 'the public' about FCOIs held by Senior/Key Personnel on PHS funded research
- No failure to report or review (*as of yet*) SFI in a timely manner
- No requirement for retrospective review for bias and mitigation report for noncompliance (for PHS funded research) *as of yet*!

# PI designation for industry sponsored fellowship support

# for SOM ACGME programs

# Industry sponsored SOM fellowship support

On application:

- PI for administrative purposes – Dr. Mary Alice O'Donnell – Director of Graduate Medical Education;  send her a notification about pending application, will need to sign
- Program director – physician – remains the same
- Submit and process through OSP – no direct checks to department

# Research Administration & Compliance Meeting

October 30, 2013

Annie Publow, Director, OSP,
Government/NonProfit

# OSP Update

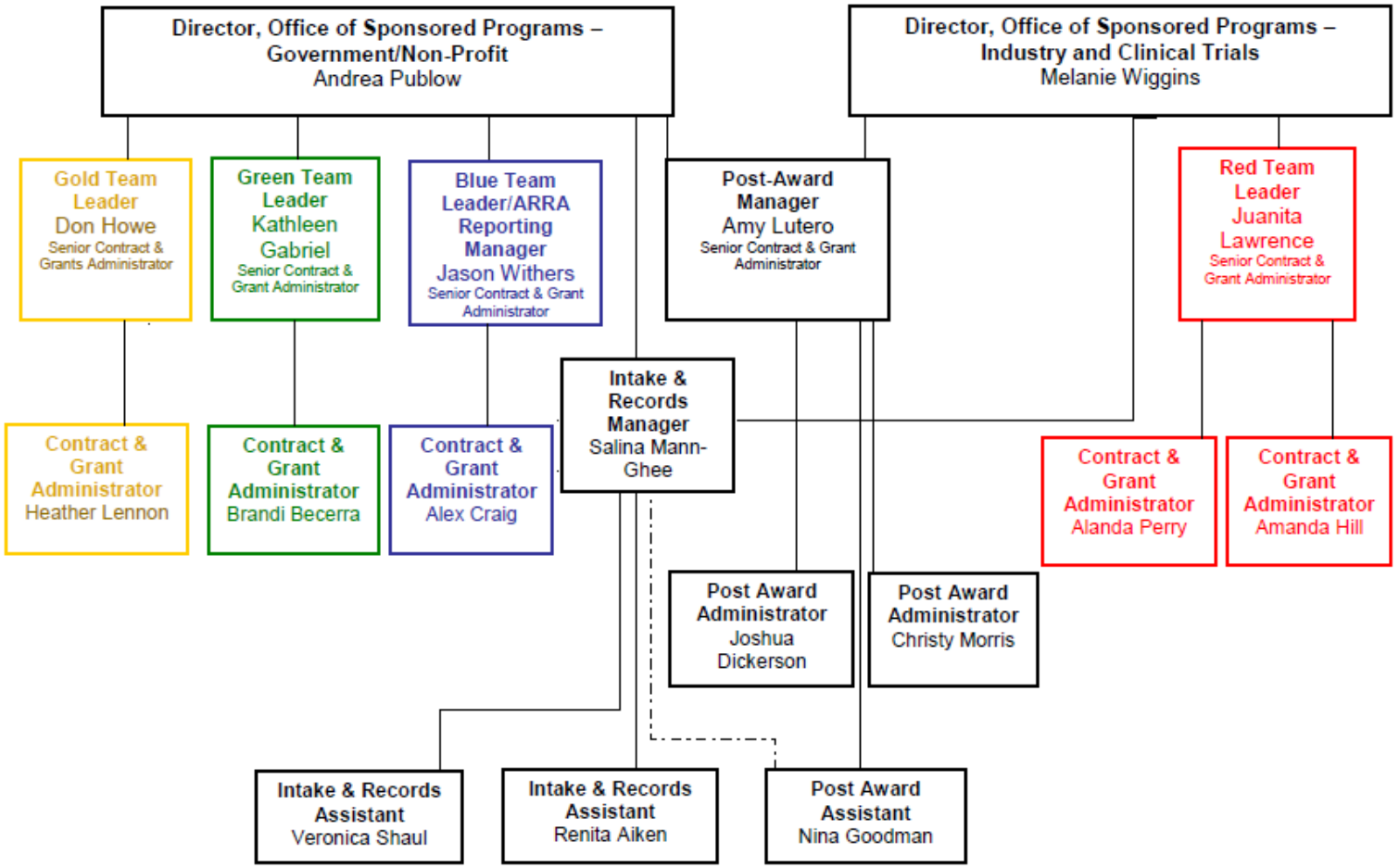
Presentation Topics:

- OSP Staffing Update
- VCUeRA Training Requirement Change
- Federal Shutdown Impacts



VCU Office of Sponsored Programs/Office of Research©

# VCU OFFICE OF SPONSORED PROGRAMS




October 2013

# RAMS-SPOT

**R**esearch **A**dministration **M**anagement **S**ystem-**S**ponsored **P**rograms **O**nline **T**racking

- Click Commerce Database for sponsored projects administration and submission
- All records will be electronic
- Currently in development
- Will replace “VCUeRA” InfoEd
- Roll out in 2014

# Changes to VCUeRA/InfoEd training

- In light of database transition, we are discontinuing the monthly training entitled “NIH Submissions to Grants.gov using VCUeRA.”
- Any PI needing VCUeRA access over the next several months should
  - Email erahelp@vcu.edu with the subject line “Request for VCueRA Investigator Access.” In body of email, indicate the name and EID of the person to be granted access;
  - Identify the name of the (already trained) individual in the department/school who will be assisting the PI with the proposal preparation (in VCUeRA);
  - Erahelp will authorize the individual in VCUeRA and send a follow up email message to the PI and person assisting containing training slides as well as important reference links. Dirospa@vcu.edu will be copied on this email.

# NIH NOT-OD-14-007: All October grant application submission deadlines have been rescheduled to November dates.

| 2013 NIH CYCLE III DEADLINES—Revised Dates following Federal Lapse in Funding | | | | |
|---|---|---|---|---|
| Activity Codes | Program Description | Cycle III Due Date (Proposal Received by OSP -5 Business Days Before Sponsor Deadline) | Cycle III Due Date (All Final Documents due to OSP-3 Business Days Before Sponsor Deadline) | Cycle III Due Date (Sponsor) (5pm Deadline) |
| R01 *new* | **Research Grants** | 9am, Wednesday November 6 | 9am, Friday November 8 | ~~Monday, October 7~~ Tuesday, **November 12** |
| K series *new* | **Research Career Development** | 9am, Wednesday November 6 | 9am, Friday November 8 | ~~Monday, October 14~~ Tuesday, **November 12** |
| R03, R21, R33, R21/R33, R34, R36 *new* | **Other Research Grants** | 9am, Tuesday November 12 | 9am, Thursday November 14 | ~~Wednesday, October 16~~ Monday, **November 18** |
| R01 *renewal, resubmission, revision* | **Research Grants** | 9am, Wednesday October 30 | 9am, Friday November 1 | Tuesday, **November 5** |
| K series *renewal, resubmission, revision* | **Research Career Development** | 9am, Wednesday November 6 | 9am, Friday November 8 | Tuesday, **November 12** |
| R03, R21, R33, R21/R33, R34, R36 *renewal, resubmission, revision* | **Other Research Grants** | 9am, Tuesday November 12 | 9am, Thursday November 14 | Monday, **November 18** |

# NSF: Resumption of Operations

## http://www.nsf.gov/bfa/dias/policy/postshutdown.jsp

**National Science Foundation**
**Revised Proposal Due Date Listing**
**October 22, 2013**

The following programs have due dates that fall between October 1 – 25, 2013, and these dates are being revised due to the Federal government shutdown. These revised dates apply whether the proposal is being submitted via the NSF FastLane Syste Grants.gov. Due to compressed proposal deadlines resulting from the shutdown, proposers are advised that they may experier delay when contacting IT Help Central with technical support questions. Frequently asked questions regarding these date cha are available on the Resumption of Operations page on the NSF website at: http://www.nsf.gov/bfa/dias/policy/postshutdown.jsp

Questions regarding the specific funding opportunity should be directed to the cognizant NSF program officer(s) identified i funding opportunity. General shutdown questions should be directed to policy@nsf.gov.

**Due date for the following program has been revised to October 23, 2013**

| | |
|---|---|
| 13-597 | Support for Construction of Direct Detection Dark Matter Experiments in Particle Astrophysics (Letter of Intent) |

**Due dates for the following programs have been revised to October 25, 2013**

| | |
|---|---|
| 11-559 | NSF Astronomy and Astrophysics Postdoctoral Fellowships (FastLane Submission Only) |
| 12-496 | Mathematical Sciences Postdoctoral Research Fellowships (FastLane Submission Only) |
| 12-497 | Postdoctoral Research Fellowships in Biology (FastLane Submission Only) |
| 13-583 | Emerging Frontiers in Research and Innovation 2014 (Preliminary Proposal; FastLane Only – this funding opportu retains its original due date) |

**Due dates for the following programs have been revised to November 1, 2013**

| | |
|---|---|
| 10-510 | Geospace Environment Modeling |
| 10-1268 | Foundations |
| 10-1281 | Analysis |
| 10-1638 | Infrastructure Management and Extreme Events |
| 10-1787 | Service Enterprise Systems |
| 10-5514 | Operations Research |
| 10-7970 | Combinatorics |
| 11-7478 | Dynamical Systems |
| 12-1631 | Civil Infrastructure Systems |
| 12-1632 | Control Systems |
| 12-1634 | Geomechanics & Geomaterials |
| 12-1636 | Geotechnical Engineering |
| 12-1788 | NanoManufacturing |
| 12-8085 | Systems Science |
| 12-8086 | Design of Engineering Material Systems |
| 13-576 | Paleo Perspectives on Climate Change |
| 13-1464 | Engineering and Systems Design |
| 13-1468 | Manufacturing Machines and Equipment |
| 13-1630 | Mechanics of Materials |
| 13-1637 | Hazard Mitigation and Structural Engineering |
| 13-1639 | Sensors and Sensing Systems |
| 13-1786 | Manufacturing Enterprise Systems |
| 13-8092 | Materials Engineering and Processing |
| 14-7479 | Biomechanics and Mechanobiology |

**Due dates for the following programs have been revised to November 6, 2013**

| | |
|---|---|
| 10-1264 | Algebra and Number Theory |
| 11-509 | Research Experiences for Teachers (RET) in Engineering and Computer Science |
| 11-692 | Advanced Technological Education |

# Best Advice:

Go to the source to confirm deadlines. Due dates are published (and updated) in program announcements and can be confirmed on the federal sponsor's website.

# Federal Government Operating Continuing Resolution

## NIH Operates Under a Continuing Resolution

**Notice Number: NOT-OD-14-012**

**Key Dates**
**Release Date:** October 25, 2013

**Related Announcements**
NOT-OD-14-007

**Issued by**
National Institutes of Health (NIH)

**Purpose**

The Department of Health and Human Services (HHS), including NIH, operates under the Continuing Appropriations Act, 2014 (H. R. 2775/Public Law 113-46) signed by President Obama on October 16, 2013. This Act (CR) continues government operations through January 15, 2014 at the FY 2013 post-sequestration level.

The NIH will issue non-competing research grant awards at a level below that indicated on the most recent Notice of Award (generally up to 90% of the previously committed level). This is consistent with our practice during the CRs of FY 2006 – 2013. Upward adjustments to awarded levels will be considered after FY 2014 appropriations are enacted, but NIH expects institutions to monitor their expenditures carefully during this period. All legislative mandates that were in effect in FY 2013 (see NOT-OD-12-034 and NOT-OD-13-064 ) remain in effect under the CR including the salary limitation set at Executive Level II of the Federal Pay Scale ($179,700).

# Committee on the Administration of Research (CAR)
## Membership Roster
## October 2013

## School, College and Center Appointees

| | |
|---|---|
| Allied Health Professions | Brenda Morris |
| Dentistry | Margaret Poland |
| Medicine | George Ford |
| Medicine | Brenda Caine |
| Medicine | Tricia Zeh |
| Nursing | Stacey Garnett |
| Pharmacy | Regina Scott |
| Business | Candice Tam |
| Education | Jose Alcaine |
| Engineering | Billie Martin-Lowry |
| Humanities and Sciences | Brigette Pfister |
| Life Sciences | Pamela Allred-Irby |
| Social Work | Leanne Marshall (temporary) |
| The Arts | Melyatta Powers |
| Monroe Park Campus | Heidi Jack |

## Directors

| | |
|---|---|
| Clinical Research Services | David Allen |
| Grants & Contracts Accounting | Mark Roberts |
| Massey Cancer Center | Robert Houlihan |
| Research Integrity and Ethics | Monika Markowitz |
| Research Subjects Protection | Michelle Stickler |
| Office of Sponsored Programs | Melanie Wiggins |
| Office of Sponsored Programs | Annie Publow |

## Co-Chairs

| | |
|---|---|
| Assistant Vice President and University Controller | Patricia Perkins |
| Associate Vice President for Research Administration and Compliance | Susan Robb |

## Executive Assistant

| | |
|---|---|
| Vice President for Research | Jane Lalich |

# Export Controls: For Reasons of Person Security & Trade Protection

- The U.S. Government has enacted export control laws to **govern the transfer of certain information, items, or technologies to foreign countries and foreign persons**, or participating in foreign boycotts
  - These laws apply to items that have a military application, as well as to commercial items that may have a potential military application or pose a foreign policy or person security concern as defined by the U.S. Government
- U.S. Government **defined reasons**: of national security, trade protection, foreign policy or based on international agreements
- *Things designed to harm people or protect people from being harmed*

# In a Nutshell

- **Transfer of information can occur through:**
  - international shipments or hand-carries;
  - through domestic transfers of technology to foreign nationals (“deemed exports”);
  - through international exports of technology (tangible and intangible); and
  - exports of services – e.g.; technical and/or financial assistance and training

# Myths

- **Myth:** Export control laws don't apply to research universities
- **Myth:** Export control laws apply only to military hardware or software
- **Myth:** The government really doesn't enforce all of these regulations - Talk to Professor Roth, or the FBI
- **Myth:** My equipment is "on loan" from another university, or collaborator, therefore they take care of all of this - Not me - this is not my job

## ITAR

- International Traffic in Arms Regulations (State Dept.)
- **Covers articles, services, and related technical data designated as defense** articles and services contained in the USML – U.S. Munitions List

## BIS

- Bureau of Industry and Security (Commerce Dept.), responsible for:
- **EAR** - Export Administration Regulations and maintains the CCL – Commerce Control List (covers trade items)
- **Dual-Use commodities, software and technology** Dual use = civil (commercial) and military (proliferation) applications

## OFAC

- Office of Foreign Assets Controls (Treasury Dept.)
- **SDN List - Specially Designated Nationals & Blocked Persons**
- List contains names of individuals and organizations deemed to represent restricted countries or know to be involved in terrorism and narcotics trafficking

# Current Landscape

- OFAC subpoenas are beginning to request information about organization's compliance programs
- GAO continues to issue reports assessing topically and making recommendations to ramp up enforcement activities
  - 1500 (FBI) and 1700 (ICE) inquiries and investigations in last 15 months
- Self-Disclosure still voluntary - investigations need to be done under privilege
  - [GA Tech hosted conference and posted controlled materials online - they self disclosed - government deemed it a "mistake"]

# Current Landscape

- Enhanced international cooperation on enforcement matters
- Development of strategic trade laws in new countries (Malaysia, Dubai, Philippines, Mongolia, etc.)
- Granting extraditions for export violations (Singapore, Hong Kong, Germany, Czech Republic)
- Focusing on current and former employees *in addition* to corporate responsibility
- Increasing fines and cases based not only on substantive export violations, but on the *quality* and *timeliness* of the company's internal investigation
- Approaching the cases as fraud investigations (undervaluing, misrepresenting, concealing, intentionally avoiding due diligence on customers, etc.)

# Fundamental Research

- Includes basic or applied research in science and/or engineering at an accredited institution of higher learning in the United States where the resulting information is **ordinarily published** and **shared broadly** in the scientific community
  - Fundamental research is distinguished from research that results in information that is restricted for proprietary reasons or pursuant to specific U.S. Government access and dissemination controls

- Certain universities have been informed either by manufacturers or by governmental agencies that scientific equipment provided to them or developed by them is export controlled

# What is NOT *Fundamental Research*

- VCU accepting any restrictions on the publication or release of the information resulting from the research
  - *other than* limited pre-publication reviews by research sponsors to prevent inadvertent divulging of proprietary information or compromising patent rights of the sponsor; or
- Research is federally funded and specific access and dissemination controls regarding the resulting information have been accepted by VCU or the researcher. Examples:
  - Allowing sponsor approval rights on publications
  - Limiting access of foreign nationals to research
- Enter into Non-Disclosure Agreements (NDAs) that limit disclosure of information
- PIs accepting “side deals” directly with a sponsor

# Nuances

- The transfer of controlled technology or source code of a controlled item may require a license even if the normal operation of the equipment does not
- SANCTIONED Individuals, Entities and Activities:
  - Screening of all foreign students and hires for employment
  - Sanctioned Countries - no university travel or payments
- Limits on Iranian Students - as of Aug. 10, 2012 - Visa Denial
  - EXCLUSION OF CITIZENS OF IRAN SEEKING EDUCATION RELATING TO THE NUCLEAR AND ENERGY SECTORS OF IRAN [22 USC 8771 Section 501]
- Five topics of Study - Law, Business, Humanities, Basic Math and Sciences Only - nothing that is applied
- "Starter" used to blast kidney stones = able to detonate nuclear warheads/bombs; InfraRed Technology

# Consequences of Noncompliance

- Very serious for both the University and the researcher - *Roth* Case
- Penalties may include fines up to $1,000,000, and, for an individual researcher, imprisonment up to 10 years
- Sanctions may include:
  - termination of export privileges;
  - suspension/debarment from federal government contracting; and
  - loss of federal funding

# Roth Case - Plasma Actuators

- FBI prosecuted Professor J. Reece Roth University of Tennessee - currently in prison - **strictly for technical data**
- USAF Contract with small company "AGT" for Plasma Technology Research - AGT subcontracted with UT through Roth and the UT Plasma Lab to develop technical data for USAF - no UAV was ever manufactured or operated
- Roth was educated by his institution; was repeatedly told not to involve Chinese nationals; was told his research qualified as a weapons platform project - **used Chinese and Iranian students anyway -** *needed to move faster*
  - Roth had desire to market the research and technology he produced to other countries because he believed they would be interested in it - UT immediately told him NO! IN WRITING

# Before you do that, you might need a license!

- **Export Controls affect research development** because the University is required to obtain prior governmental approval in the form of an export license before allowing the participation of foreign national faculty, staff, or students in export controlled research, unless an exclusion or exception is available

# Before you do that, you might need a license!

- When Licenses are Required - in certain situations - for example:
  - Presentation or discussion of previously unpublished research at conferences and meetings where foreign national scholars may be in attendance
  - Research collaborations with foreign nationals and technical exchange programs
  - Transfers of research equipment abroad
  - Visits to your lab by foreign scholars

# "Deemed" Exports

- Disclosure or transfer of export controlled items, [including technology and information] to a foreign entity or individual **within** the U.S. are
  - deemed to be an export to the home country of the foreign person

- May occur by such means as:
  - Tours of laboratories
  - Involvement of foreign persons in the research
  - Oral exchanges, emails, or visual inspection
  - Hosting a foreign researcher

# PRACTICAL APPLICATION

- Universities are extremely vulnerable due to open campus and core beliefs in academia
  - pursuit of knowledge, sharing of info
  - serving the public
  - globalization and diversity goals
- Highest Risk Areas in Universities
  - School of Engineering & School of Medicine -80%
    - especially in Tech areas of Biology; Laser; and Aeronautics
  - Look for contract language implying restrictions or "Controlled Data"

***The Bomb in My Garden: The Secrets of Saddam's Nuclear Mastermind,*** **Mahdi Obeidi**

# PRACTICAL APPLICATION

- Scrutinize new:
  - business partners/collaborators/vendors
  - service lines
  - places of business
  - reporting lines
- Be wary of being asked for your expertise from unknown persons
- Highest Risk Activities - ?
  - If you have questions ASK!
  - Remember, emails can be export pathways

# When might my activities be subject to export and sanction regulations?

- I would like to host a foreign visitor at VCU
- I would like to travel outside of the US
- I would like to carry items outside of the US
- I would like to ship items outside of the US
- I would like to have foreign persons participate in research activities
- I would like to participate in an international collaboration
- I would like to accept restrictions on publication, foreign national participation, or involve proprietary information in my activity
- I have students who are foreign persons in my classes. What do I need to know?

# Statement of Need Presented

- VCU needs better awareness of export controls regulatory requirements; documentation of education to appropriate individuals; and collaboration for, and centralization of, efforts related to export controls compliance.
- Specifically concerning:
  - Individuals conducting research with controlled technologies (equipment or supplies the US government deems as export controlled materials); and
  - Individuals who may have foreign persons involved in their research domestically or through collaborations abroad; and
  - Individuals travelling abroad; and
  - Individuals receiving visitors from abroad; and
  - Individuals disclosing or transferring export controlled items, including technology and/or information, to a foreign entity or individual, either within or outside the US

# Resources at VCU

- Primary - Office of Research
  - Point of contact - Susan Robb
  - New hire - Intern
- Current Policy in Library - Update Coming Soon
- Website - Coming Soon
- Workgroup Members
  - GEO; OEHS; ICO; Procurement (Travel); Business Services

# Website Content

- Policies and Procedures; Forms and Resources; Templates; FAQs
- Links to US Travel Advisory Information
- Export Controls and Research
  - Export Control Red Flags Document
  - Export Controls Self-Assessment Guide
- International Collaborations
- Technology Control Plan
- International Travel
- Visiting Scholars Program
- Training
- Contact Us

Updated policy to be out for public comment in the coming weeks

# What you can do

- ✓ Bring awareness to these issues - Act Now - Share Info.
  - ✓ refer to prior "Practical Application" slides and "Myths" slide

  *The worst time to go grocery shopping is when you're hungry*

  *Compliance is good for business, not just a cost of doing business*
- ✓ Consider access points and controlled or uncontrolled places, activities and ...
- ✓ Share your ideas with those in the Workgroup
  - Dean Broga - Office of Environmental Health & Safety
  - McKenna Brown - Global Education Office
  - Ed Gibbs - Procurement [Travel]
  - Jacqueline Kniska - Integrity & Compliance Office
  - Diane Reynolds - Business Services
  - Susan Robb - Office of Research, Administration & Compliance

# Workgroup Charged With

- Establishing a **centralized Travel Program** – to include:
  - prohibited travel to embargoed countries and individual educational sessions to persons traveling to high risk countries, as designated by the US government
  - Will need collaboration from Procurement Services, Global Education Office, and Deans Council
- Establishing a **Visitor Program** – to include:
  - education about visiting persons;
  - access to VCU facilities and information;
  - establishment of visiting scholar/scientist agreement outlining expectations and consequences for violating expectations.
  - Will need collaboration from Global Education Office, and Deans Council

# Workgroup Charged With

- Establishing processes in Office of Research Administration & Compliance - which allot for full compliance in research activities - to include:
  - development of a website containing educational materials and resources for individuals affected by export controls requirements
- Establishing **appropriate controls and education -** related to:
  - accessing highly sensitive/hazardous equipment or materials by partnering with the Office of Environmental Health and Safety – Radiation and Biological units
  - maintaining compliance with Virginia's Department of Health requirements