The following is provided as a brief summary of the basic requirements of Circular A-110. Please review the full text of the circular located at http://www.whitehouse.gov/omb/circulars_a110/. The Office of Grants and Contracts (OGC) has oversight for matters related to A-110 compliance. If you have questions about A-110, please contact the office at GRANTSC@ECU.EDU.
OMB CIRCULAR A-110

- Titled the “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations”.

- Is the foundation on which all federal awards to ECU are based.

- Establishes the principles by which a federal agency must conduct business with non-profit institutions.
WHAT IS A-110?

- Issued by the Office of Management & Budget (OMB)
- Provides instructions to federal agencies in making awards.
- Promotes consistency but does give some flexibility.
- Applies to grants and cooperative agreements.
- Latest Update 1999
WHAT IS A-110?

All Federal Agencies Must Implement A-110

- Generally codified in CFR as agency regulations

- Some agencies also publish policy manuals or guidelines which Incorporate A-110 Requirements:
  - Examples: NIH, NSF, and DOED policy guides
WHAT DOES A-110 DO?

- Sets **MAXIMUM** requirements that the agencies may require on grants and cooperative agreements.

- Establishes **MINIMUM** standards for institutional systems for managing federal awards.
A-110 OVERVIEW

- **SUBPART A : GENERAL**
- **SUBPART B : PREAWARD REQUIREMENTS**
- **SUBPART C : POSTAWARD REQUIREMENTS**
  - FINANCIAL & PROGRAM MANAGEMENT
  - PROPERTY STANDARDS
  - PROCUREMENT STANDARDS
  - REPORTS AND RECORDS
  - TERMINATION AND ENFORCEMENT
- **SUBPART D: AFTER-THE-AWARD REQUIREMENTS**
SUBPART A: GENERAL

- Describes consistency objectives
- Defines terms
- Allows for deviations when more stringent requirements are needed by the agency
- Extends all requirements to subrecipients
SUBPART A: SPECIAL NOTES

Provides Definitions of:

- Equipment
- Program Income
- Recipient
- Small Awards
- Subrecipient
SUBPART B: PREAWARD REQUIREMENTS

- Instruction on appropriate award instruments (Grant, Contracts, Cooperative Agreement)
- Notify public of funding priorities for discretionary programs
- OIRA form approval
- Prescribes SF-424
- Requires instruction on applicability of EO12372
- Compliance requirements (Debarment, Metrics, RCRA)
- Special award conditions
- Annual certifications & representations option
SUBPART C: POSTAWARD REQUIREMENTS
FINANCIAL & PROGRAM MANAGEMENT

- Sets standards for financial management systems
- Prescribes payment methods
- Use of SF270 and SF271 reporting forms (2010 = FFR, SF425)
- Deposit advance federal funds in interest bearing accounts
- Criteria for cost sharing funds, valuation, and records
- Defines three uses of program income with default for research
  - Additive, Deductive, or Combined
SUBPART C: POSTAWARD cont...

Establishes Minimum Sponsor Prior Approval Requirements:

- Change in Scope
- Change in Key Personnel
- Absence of PI for more than 3 months or 25% reduction in effort
- Need for additional federal funding
- Transfer direct/indirect Costs
- Costs requiring approval per OMB A-21
- Transfer of trainee Stipends to other categories
- Subawards unless approved in prime award
SUBPART C: POSTAWARD cont...

Agencies Can Authorize the Following “Expanded Authorities” for Research:

- Ninety day pre-award costs
- One time institutional No-Cost-Extension
- Agencies may require approval for transfer among budget categories (10%)
- Passes down OMB A-133 audit requirements
- Incorporates OMB A-21
- Prescribes period of availability of funds
SUBPART C: PROPERTY STANDARDS

- Insurance requirements
- Prescribes title (Real, Federally-Owned, Exempt)
- Equipment title vests with recipient
- Records and inventory requirements (inventory Every 2 Years)
- Sets disposition requirements
- Discusses residual value of supplies
- Incorporates 37 CFR 401
- Incorporates Shelby requirements
SUBPART C: PROPERTY STANDARDS cont...

- Requires Code of Conduct for all Involved in award & administration of procurement contracts
- Prescribes competition
- Precludes vendors from drafting standards, SOW, RFP, etc.
- Requires written procurement procedures
- Requires positive efforts to utilize Small, Small Disadvantaged, Women-Owned, etc. businesses
SUBPART C: PROPERTY STANDARDS cont...

- Requires cost & price analysis on every procurement
- Establishes special requirements for procurements over $100K and for construction
- Requires all purchases orders to include clauses of Appendix A
SUBPART C: REPORTS AND RECORDS

- Requires managing & monitoring of financial program performance, including subawards

- Performance reports required not more often than quarterly, but at least once annually

- Prescribes financial reports and describes content

- Reports due Within 90 calendar days of award termination (or annual budget period) is the maximum period- sponsor may reduce period

- Standard Forms SF269, SF270/272 (2010 = FFR, SF425)
SUBPART C: REPORTS AND RECORDS cont...

Record Retention Requirements:

- Minimum 3 Years after submission of final expenditure report or audit, whichever is later
- Can be electronic
- Allows federal access to records
- F&AC and other cost allocation plans also a 3 Year Period
- Technical records (Including PI Data/Reports) are Included as a minimum – longer may be required.

Note: Common Practices or other Federal or State Requirements May Necessitate Longer Retention Requirements. The Above are Minimum Standards
SUBPART C: TERMINATION & ENFORCEMENT

- Identifies circumstances for early termination by agency
- Prescribes sanctions for awardee non-compliance
- Incorporates potential for debarment, suspension, fines, and penalties
SUBPART C: SPECIAL NOTES

- Requirements for written procedures
- Affects all of ECU’s administrative and financial systems
- Specific agency implementations are important for individual awards
SUBPART D: AFTER THE AWARD REQUIREMENTS

- Prescribes closeout procedures:
  - Reports Due 90 Calendar Days After Completion (min. may be shorter)
    - Financial
    - Performance
    - Other

- Requires refunds of unobligated balances

- Puts awardees on notice re future Disallowances

- Gives agency alternatives for collection of excess payments or disallowed costs
WHY IS A-110 IMPORTANT TO THE PI?

Establishes the rules on which most sponsor and university policies and procedures are based Including:

- Rebudgeting
- Prior Approvals
- Extensions
- Equipment Procurement
- Reporting Requirements
WHY IS A-110 IMPORTANT TO THE PI? cont...

Defines Requirements for Reporting and Documenting:

- Expenditures
- Cost Share
- Program Income
- Effort
WHY IS A-110 IMPORTANT TO THE PI? cont...

- Agency-specific implementations affect individual award terms and conditions

- Non-Compliance Can Lead to:
  - Disallowed Costs
  - Reduction in Funding
  - Termination of Award
  - Sanctions
  - Suspension
  - Debarment
  - Criminal Penalties
  - Other Corrective Actions
QUESTIONS?

For questions about Circular A-110, please contact your OGC Representative or email grantsc@ecu.edu.

Please review the full text of the circular located at http://www.whitehouse.gov/omb/circulars_a110/