

Summary of the COGR response to the A-21 Task Force Request for Information

A-21 Task Force background- An interagency task force under the National Science and Technology Council (NSTC) focusing on possible improvements to Circular A-21 with the goal of recommending to the NSTC and OMB specific revisions and clarifications. The task force's work is part of the Administration's larger effort to minimize unnecessary economic and related burdens through review and reform of regulatory processes. During the summer NIH, on behalf of the Task Force, issued a Request for Information (RFI) on *Reduction of Cost and Burden Associated with Federal Cost Principles for Educational Institutions (OMB Circular A-21)*. Many of our institutions and in some instances individual principal investigators submitted letters in response. COGR submitted a 45-page response containing 20 recommendations, detailed analysis and suggestions. The full submission by COGR is available on their website www.cogr.edu under Latest News on the right of the page (scroll down to July 28, 2011).

The COGR Recommendations are designed to enhance research productivity by: a) eliminating onerous and non-productive requirements currently imposed on the faculty, and b) providing more streamlined and effective administrative and compliance support to faculty and the broad scientific community. A copy of the Executive summary appears below - each recommendation is described in more detail in the full report on the website.

Group A: Clarification or Modification of Existing Regulations to Enhance Faculty Productivity and Administrative Efficiency

A1) The expectation of "Effort Reporting" should be discontinued and replaced with institutionally designed compliance-based approaches that meet accountability standards for "Payroll Distribution" systems. An "outcomes-based" approach that demonstrates to agency officials and program officers that faculty, investigators, technical staff, students, and other personnel are actively engaged in the proposed research can be an appropriate foundation for institutional systems.

A2) Allow the direct charging of costs associated with Project Management Activities when those activities can be specifically identified with an individual project.

A3) Reduce Subrecipient Monitoring requirements for those Subrecipients subject to the Single Audit Act (Circular A-133 audit) and to Federal/National Policies Compliance Assurances with the Federal Government.

A4) Research Communications, Tools, and Similar Equipment (and related supply items) that are necessary for the efficient and effective conduct of research activities should be allowable as direct charges to Federally-sponsored research, service and educational programs.

Group B: Enforcement of Current Rules with an Emphasis on Consistency, Fairness and Simplicity

B1) The Negotiated F&A Rate should be reimbursed by all Federal funding agencies on all Federally-sponsored research, service and educational programs, unless statutorily prohibited.

B2) Prohibit arbitrary Federal funding agency restrictions on F&A cost recoveries associated with Bulk Purchase, High-Volume, and/or Significant Dollar Transactions. If arbitrary

restrictions persist, develop solutions to update Circular A-21 and the definition of “modified total direct cost”.

B3) Prohibit Voluntary Committed Cost Sharing on all Federally-sponsored research, service, and educational programs.

B4) Create a Mandatory Cost Sharing Exemption for Research Universities and Institutions.

B5) Formalize an F&A Rate Negotiation Model that is transparent, unambiguous, consistent and collaborative between the Federal government and Research Universities and Institutions.

B6) The 1.3% Utility Cost Adjustment should be made applicable to each eligible higher education institution that does not currently receive it. Each affected university shall be issued an amended F&A rate agreement, subject to the discretion of the institution with respect to the timing of the amended agreement.

B7) Modernize and Streamline Documentation Retention Requirements to recognize the efficiencies of electronic records imaging technology, and make consistent the requirements of Grants versus Contracts (i.e., FAR).

B8) Delete or Update Sections of OMB Circular A-21, which will result in additional reduction in burden.

B9) Harmonize and coordinate procedures and practices related to implementing the A-133 Single Audit regulations across all Federal agencies.

B10) Eliminate duplicative reporting requirements, such as the Federal Financial Report, when it can be established that an agency maintains the necessary information in its internal systems.

B11) The A-133 Compliance Supplement should be updated, accordingly, for policy changes that are implemented per the Recommendations made in this letter. The appropriate communications should be made to regulatory entities and the audit community that the policy changes represent official Federal policy and any review or audit activity should be conducted in accordance with the new standards.

Group C: Expand Scope of Reform Initiatives to Capture Additional Regulatory Areas, which can lead to Further Reduction of Burden and Cost

C1) Harmonize Regulations & Policies across all Federal Agencies.

C2) Stabilize the governance structure and funding mechanism of Grants.gov to ensure its continuation as the central grant identification and application portal for federal grant programs.

C3) Designate a high level official within OMB’s Office of Information and Regulatory Affairs to serve as a Federal Ombudsman, responsible for addressing university regulatory concerns and for seeking ways to increase regulatory efficiency.

C4) Require a Cost of Compliance analysis as a part of the Unfunded Mandates Reform Act requirements for any proposed regulations that will be required of any entity subject to the

Single Audit Act. The Congressional Budget Office should estimate the cost impact of proposed legislation on research institutions without regard to annual dollar thresholds.

C5) Through the use of Executive Branch Authority, provide targeted exemptions for Research Universities and Institutions similar to protections provided for small entities under the Regulatory Flexibility Act.