

**Common Compliance Pitfalls and Strategies for Success**  
**Excerpts from NIH Grants Policy Statement** (Revised 12/03),  
**SF424 Research and Research Related (R&R) Version 2 instructions** (12/08),  
**PHS 398 Application Instructions** (11/07)

**Case Study 1:**

Issue 1: Cost Transfers

Excerpt from NIH GPS:

Cost Transfers, Overruns, and Accelerated and Delayed Expenditures (Pages 83 - 84) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part5.htm#\\_Toc54600120](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part5.htm#_Toc54600120)

Issue 2: Cost Principles – 4 tests

Excerpt from NIH GPS:

The Cost Principles (Pages 79 - 80) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part5.htm#\\_Toc54600117](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part5.htm#_Toc54600117)

**Case Study 2:**

Issue: Carryover of Unobligated Balances

Excerpt from NIH GPS:

Carryover of Unobligated Balances from One Budget Period to Another Within an Approved Project Period (Pages 103 - 104) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part7.htm#\\_Toc54600128](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part7.htm#_Toc54600128)

**Case Study 2 – Part 2:**

Issue: Extension of Final Budget Period

Excerpt from NIH GPS:

Extension of Final Budget Period of a Previously Approved Project Period without Additional NIH Funds (Page 104) or

[http://grants1.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part7.htm#\\_Toc54600128](http://grants1.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part7.htm#_Toc54600128)

**Case Study 3:**

Issue: Role and Responsibilities of grantee participants

Excerpt from NIH GPS: Authorized Organizational Official (now referred to as Authorized Organizational Representative) and Principal Investigator (now referred to as Project Director/Principal Investigator) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part3.htm#\\_Toc54600044](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part3.htm#_Toc54600044)

**Case Study 4:**

Issue 1: Facilities and Administrative Costs

Excerpt from NIH GPS:

Direct Costs and Facilities and Administrative Costs (Page 81) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part5.htm#\\_Toc54600118](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part5.htm#_Toc54600118)

Issue 2: Entertainment Costs/Meetings and Conferences (meals)

Excerpt from NIH GPS:

Allowability of Costs/Activities - Selected Items of Cost (Pages 86 and 91) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part6.htm#\\_Toc54600125](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part6.htm#_Toc54600125)

Excerpt from A-21 (see J. 17 and J.32):

[http://www.whitehouse.gov/omb/circulars/a021/a21\\_2004.html#j](http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html#j)

Excerpt from A-122 (see Attachment B #s 14 and 29)

[http://www.whitehouse.gov/omb/circulars/a122/a122\\_2004.html#attb](http://www.whitehouse.gov/omb/circulars/a122/a122_2004.html#attb)

**Case Study 5:**

Issue: Other Support

Excerpt from NIH GPS:

Definition of Terms - Other Support (Page 12) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part2.htm#\\_Toc54600040](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part2.htm#_Toc54600040)

## **Case Study 5, continued:**

See also:

Excerpt from NIH GPS:

Just-in-Time Procedures (Pages 32 – 33) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part4.htm#\\_Toc54600057](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part4.htm#_Toc54600057)

Excerpts from the SF424 (R&R) and PHS 398 application: Part III, Policy, Assurances, Definitions. See Other Support Information or

[http://grants.nih.gov/grants/funding/phs398/phs398.doc#\\_Toc224516079](http://grants.nih.gov/grants/funding/phs398/phs398.doc#_Toc224516079)

[http://grants.nih.gov/grants/funding/424/SF424\\_RR\\_Guide\\_General\\_Adobe\\_VerA.doc#\\_Toc216166015](http://grants.nih.gov/grants/funding/424/SF424_RR_Guide_General_Adobe_VerA.doc#_Toc216166015)

## **Case Study 6:**

Issue: Using Federal Grant Funds to Pay a Debarred Individual

Excerpt from NIH GPS:

Debarment and Suspension (Pages 46 - 47) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part4.htm#\\_Toc54600066](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part4.htm#_Toc54600066)

## **Case Study 7:**

Issue: Foreign Sub-Recipient A-133 Audit Requirements

Excerpt from NIH GPS:

Grants to Foreign Institutions, International Organizations, and Domestic Grants with Foreign Components, Administrative Requirements, Audit (Page 232) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part12.htm#\\_Toc54600269](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part12.htm#_Toc54600269)

See also:

Grants to For-Profit Organizations, Administrative Requirements, Audit (Page 239) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part13.htm#\\_grants\\_to\\_for-profit\\_organizations](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part13.htm#_grants_to_for-profit_organizations)

## **Case Study 8:**

Issue: Change in Key Personnel Named in the Notice of Award (NoA)

Excerpt from NIH GPS:

Administrative Requirements, Changes in Project and Budget, Prior Approval Requirements – Change in Status, Including Absence, of Principal Investigator and Other Key Personnel (Pages 105 and 107) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part7.htm#\\_Toc54600129](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part7.htm#_Toc54600129)

## **Case Study 9:**

Issue: Cost Principles – 4 tests

Excerpt from NIH GPS:

The Cost Principles (Pages 79 - 80) or

[http://grants.nih.gov/grants/policy/nihgps\\_2003/NIHGPS\\_Part5.htm#\\_Toc54600117](http://grants.nih.gov/grants/policy/nihgps_2003/NIHGPS_Part5.htm#_Toc54600117)

## **Case Study 10:**

Issue: Allowability of charging administrative costs as direct costs to NIH grants

Excerpts from the cost principles OMB Circular A-21 (J. 18 and Exhibit C)

[http://www.whitehouse.gov/omb/circulars/a021/a21\\_2004.html#j](http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html#j) and

<http://www.whitehouse.gov/omb/circulars/a021/a021.html#exc>