

Meet the Costing Committee: Current Issues

October 2017 COGR Meeting
Washington Marriott, Washington DC

October 26, 2017

COGR

Council On Governmental Relations

An association of research universities

Meet the Costing Committee

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Jim Fortner, Georgia Tech
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Current Issues

Procurement and the Micropurchase Threshold:

National Defense Authorization Act (NDAA):

(A) \$10,000; or

(B) such higher threshold as determined by the head of the relevant executive agency and consistent with clean audit findings under chapter 75 of title 31, internal institutional risk assessment, or State law).

Current Issues

Application of F&A and “Equity”:

- Cloud Computing
- Microelectric Chips
- Genomic Arrays
- Bulk Purchases

Current Issues

Direct Charging and Service Centers:

- Computing / Data Security / Data Storage
- IRB
- Other examples?

Current Issues

Recent F&A Rate Negotiations:

- Case Studies
- 4 year extensions
- DS-2

Current Issues

Single Audits, Reimbursement, “Paid”:

Auditor position that prior to billing a federal sponsor for reimbursement, the institution must have evidence that the institution’s payment to the vendor has been cleared by the institution’s bank. This is in conflict with existing policy per [2 CFR Part 200.305\(b\)](#): ... *payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity.*

Public Comments due October 31, 2017 to OMB.

Current Issues

Software Capitalization and the UG:

A representative from Cost Allocation Services (CAS-HHS) clarified the intent of FAQ .33-1 Capitalization Level for Software to mean that the \$5,000 software capitalization threshold is applicable only to situations where the software is attached to the hardware. The \$5,000 software capitalization threshold is not applicable to internally developed software and is not applicable to stand-alone software. Therefore, institutions are not expected to change their software capitalization if they are in compliance with GAAP).

Current Issues

Also on the plate:

- Negotiation of F&A rates with a Sub
- Foundations (F&A, Reporting Burden, IP)
- NSF Audits, Questioned Costs – Sustained
- Uniform Guidance when door reopens
- F&A, Transparency, Myths, New Models

... AND YOUR IDEAS ?