AFOSR GRANTS

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Air Force Office of Scientific Research

Distribution A. Approved for Public Release

OVERVIEW

• AFOSR
• Process
• Types of Awards
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AFOSR
Air Force Office of Scientific Research
The Air Force Office of Scientific Research (AFOSR), located in Arlington, Virginia, continues to expand the horizon of scientific knowledge through its leadership and management of the Air Force's basic research program. As a vital component of the Air Force Research Laboratory (AFRL), AFOSR's mission is to discover, shape, and champion basic science that profoundly impacts the future Air Force.

• The focus of AFOSR is on research areas that offer significant and comprehensive benefits to our national warfighting and peacekeeping capabilities. These areas are organized and managed in three scientific directorates:
  — Aerospace, Chemical and Material Sciences (RSA)
  — Mathematics, Information and Life Sciences (RSL)
  — Physics and Electronics (RSE)
• AFOSR awards grants and contracts to Universities, Non-Profit Organizations, and Contractors, both large and small, to fund basic and applied research.

• Federal Government is on a fiscal year, one-year budget cycle from 1 October to 30 September
• The Air Force receives its budget authority through an annual appropriation bill.
  — 2010 Defense Appropriations Act
• What happens when the AF does not receive budget authority from Congress?
  — Congress may resolve to grant limited budget authority in the form of a CRA (Continuing Resolution Authority)
  • CRA covers agency operational costs
TYPES OF AWARDS

- Basic Grants
- Conference Grants
- Special Programs
  - DURIP, MURI, YIP, HBCUMI, PECASE, STTR
- Modifications
  - No Cost Extensions
  - Incremental Fundings
  - Additional Fundings
  - Administrative Mods

BASIC GRANTS

Basic Research

- An award is made based on a proposal submitted through our annual BAA (Broad Agency Announcement) and special BAA's throughout the year. Scientific research is funded in specific areas of interest to the Air Force.

Grants

- Length varies based on the nature of the research endeavor
  - Incrementally Funded
  - Ex: 5 year Grant - $500,000 (1 Aug 10 – 31 Jul 15)
    - 5 increments (12 months each) of $100,000 each
    - The initial award sets out the Government’s full share and obligates the 1st increment. ($100K is allotted and available for payment)
    - It is anticipated that these funds will support research through a date specified. (31 July 2011)
    - Modifications will be prepared to award remaining increments as funding is certified.
The subject matter of the conference or workshop is scientific, technical, or involves professional issues that are relevant to AFOSR’s mission of managing the Air Force basic research program.

Proposals should include the following:
- Summary indicating the objective(s) of the conference/workshop
- Topics relevant to AFOSR’s mission of managing the AF basic research program
- Title, location, and date(s) of the conference/workshop

(Continued...)

Proposals should include the following (continued):
- Explanation of how the conference/workshop will relate to the research interest of AFOSR identified in the BAA
- Chairperson or principal investigator and his/her biographical information
- Method (or copies) of announcement or invitation
- A note whether foreign nationals will be present
- Total project costs by major cost elements

General Rule: Submit conference proposal a minimum of 6 months prior to event. (BAA 2010-1, Pages 80-81)

Defense University Research Instrumentation Program (DURIP)
Multidisciplinary Research Program of the University Research Initiative (MURI)
Young Investigator Program (YIP)

Other:
- Presidential Early Career Award in Science & Engineering (PECASE)
- Historically Black Colleges and Universities and Minority Institutions (HBCU/MI) Program
- Partnerships for Research Excellence and Transition (PRET)
- Small Business Technology Transfer Program (STTR)
SPECIAL PROGRAMS

DURIP
• To improve the capabilities of US universities to conduct research by providing funds for the acquisition of research equipment
• One year in length
• Cost sharing encouraged, but not mandatory
• Funds may not be used for construction or modification of buildings
• Funds may be used for constructing, assembling and/or installing equipment
• No patent requirement

SPECIAL PROGRAMS

MURI
• To perform research and related education in science and engineering relevant to DoD
• MURI awards are $1.5M per year, with the actual amount contingent on availability of funds, the specific topic, and the scope of the proposed work.
• Typically 3 year basic period of performance (incrementally funded) with 2 option years
• Usually have one or more subcontractors

SPECIAL PROGRAMS

YIP
• Supports scientists and engineers who have received a Ph.D. or equivalent degrees in the last five years, and show exceptional ability and promise for conducting basic research in Air Force relevant disciplines.
• Foster creative basic research in science and engineering; enhance early career development of outstanding young investigators; and increase opportunities for the young investigator to recognize the Air Force mission and related challenges in science and engineering.
• 25 to 30 awards per year
• 3 year effort, $120K per year
MODIFICATIONS

• Incremental Funding
• Additional Funding
• Options
• No Cost Extensions (NCE)
• Administrative Mods

Incremental Funding
• All Increments are negotiated and allotted at time of Basic Award.
• Periodic modifications add incremental amounts to Basic Award.
• No additional documentation is required on University’s part to trigger incremental funding.

Additional Funding
• Adds additional dollars to active award
• Can add additional time if requested
• Request should include Proposal and Budget (including any sub-budgets) for the additional effort.
• Request should be submitted at least 90 days prior to expiration of the basic award.
  – This allows sufficient time for the Program Manager to review the supplemental proposal and commit funds and for us to process the modification.
MODIFICATIONS

Options
• Exercised at the discretion of the Government – NOT automatic!
• Options, generally, are being phased out of AFOSR grants in favor of Incremental Funding

* This is the Government... exercising.

MODIFICATIONS

No Cost Extensions
• The recipient must notify the Federal awarding agency in writing with the supporting reasons, revised expiration date and amount of remaining funds at least 30 days before the expiration date specified in the award.

— AFOSR Agency Specific T&Cs, Article 2: Prior Approval Requirements Not Included in the Research T&Cs – “Notwithstanding Article Number 25(c)(3)(i) of the Research Terms and Conditions. Prior written approval of the AFOSR Grants Officer is required to extend the period of performance, without additional funds, beyond the expiration date of this grant. The recipient must notify the cognizant awarding agency official in writing with the supporting reasons and revised expiration date at least thirty (30) days prior to expiration of the award.”

MODIFICATIONS

No Cost Extensions (continued)
• Extends the expiration date of the award of up to 12 months
• No additional funds are added to the Award
• No more than 2 NCEs can be added to the Award
• May not be exercised merely for the purpose of using unobligated balances
MODIFICATIONS

Administrative Mods
• Ex: Correction of clerical errors such as mistakes in the title of the research; inaccuracies in the line of accounting; and changes to the payment schedule
• Please contact the Contract Specialist listed in Block 5 of the Award if you find any errors or omissions in the copy of the signed award that is e-mailed to you.

AWARD TERMS & CONDITIONS

• Research Terms & Conditions
• AFOSR Agency Specific Terms & Conditions
• Indirect Cost Limitation
• Reporting Requirements
• Types of Approvals

RESEARCH T&Cs


90-day Pre-award Costs
• Approval to include up to 90 days of pre-award costs justified if:
  — Costs are incurred directly pursuant to negotiation and in anticipation of award
  — Must be necessary to comply with proposed delivery schedule or period of performance
  — Allowable only to the extent that they would have been allowable if incurred after the date of the award (OMB Circular A-122)
90-day Pre-award Costs (continued)

• Request for Greater Than 90-day Pre-award Costs must be submitted in writing to the Grants Officer and approved by the Chief of Contracting Office.

• All costs are incurred at the recipient’s risk
  — The Federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive an award or if the award is less than anticipated and inadequate to cover such costs.

INDIRECT COST LIMITATION TERM

• “This grant is funded with basic research appropriations, 6.1 funding and, as such, is subject to limits on F&A and indirect costs as included in the current Appropriation Act. This limit is applicable to awards made on or after 14 Nov 2007. Unless this grant is modified to reflect otherwise, funds obligated under this grant may not be used for payment of F&A or indirect costs in excess of 35% of the total amount of funds obligated on or after 14 Nov 2007.”
  — “Total costs”, “F&A costs” and “Indirect costs”, for purposes of this clause are defined in 2 CFR 220 (OMB Circular A-21) for Educational Institutions.
  (See Budget Preparation)

REPORTING REQUIREMENTS

• Annual Performance and Final Technical, Financial and Patent Report due dates will be listed on the award document and all subsequent modifications
  — Annual Performance – due annually (any questions?)
  — Final Reports – due 90 days after grant expiration date (including options)
  — Annual Reports may be added or Final Report due dates changed through additional funding or no-cost extensions.
When do you need prior approval to modify the research effort after the award has been made?

See Handout
Research Terms and Conditions Prior Approval and Other Requirements Matrix (October 2008)

**TYPES OF APPROVALS**

- CCR
- EPLS
- FAPIIS
- Payments
- SF 424
- Central E-mail Account

**PRE-AWARD REQUIREMENTS**

- CCR
- EPLS
- FAPIIS
- Payments
- SF 424
- Central E-mail Account

**CCR**

Central Contractor Registration

- [https://www.bpn.gov/ccr/](https://www.bpn.gov/ccr/)
- Cannot be expired at time of award
- We search by DUNS or CAGE code
  - Please be sure to provide the appropriate code on proposal cover sheet
**EPLS**

Excluded Parties List System
*https://www.epls.gov*/
• Award will not be made if either the PI, Co-PI(s), or University are on the debarred list
• Please include full names on proposal cover sheet
  — Important for common names (i.e. John Smith)

**FAPIIS**

The Federal Awardee Performance and Integrity Information System
*http://www.ppirs.gov/fapiis.html*
• New requirement to be checked prior to award
• Two-fold:
  — University must be registered
  — Report cards are checked for negative ratings

**PAYMENTS**

• Payment Schedules are usually set up as quarterly payments of equal (or about equal) amounts
• Can be negotiated to fit the needs of the university
  — Ex: If equipment is being purchased, a larger amount can be made as the first payment.
• Outyear payments (Increments or Options) are also set up during negotiation
• Payments are made by EFT (Electronic Funds Transfer)
  — See Block 12 of award document
• Invoicing (SF 270s) can be set up at the request of the university. SF 270s are to be sent to the Administrative Office listed in Block 12 of your award.
• Required for all new awards
• Must have Organizational DUNS
• Must include signature of authorized representative
• See Grants.gov for form if submitting proposal through other channels

SF 424 (Proposal Cover Sheet)

CENTRAL E-MAIL ACCOUNT

• Distribution of awards has recently been changed from hard copies being mailed to electronic copies being emailed.
• AFOSR is encouraging one central email account to be used for each university.

BUDGET PREPARATION

• Salaries
• Fringe Benefits
• Equipment
• Travel
• Tuition
• Subawards/Subcontracts
• Indirect Costs
• Total Cost
**SALARIES**

- Proposal should include CVs (resumes) for all Key Personnel
- Must be separate from Fringe Benefits
- Must include total number of months/partial months
- Must be current and actual
- Other Personnel must include number of personnel in each category
- Budget Justification should include verification of each individual’s base salary

**FRINGE BENEFITS**

- Use rates negotiated through agreement with HHS or ONR
  - Rates in excess of those negotiated may result in the reduction of funding
- Must be set out separately from salary for each individual
- Helpful if Budget Justification references the date of the agreement being applied to the Fringe Benefits
- Also helpful if Budget Justification includes the specific rate applied to each individual (only applicable if multiple rates categories were negotiated)

**EQUIPMENT**

- Will be included in Other Direct Costs
- Equipment greater than $5K must be listed separately in Section C of the budget form
- Title to all equipment purchased with federal grant funds shall vest with the university unless determined otherwise by Program Manager
TUITION

- Must be current and actual
- Budget Justification should verify all reimbursable tuition fees

SUBAWARDS/SUBCONTRACTS

- Any budget that includes a subaward/subcontract must include a sub-budget
- Sub-budgets cannot include a charge for a fee or profit
- Not included in Other Direct Costs

INDIRECT COSTS

- Must **NOT EXCEED** 35% of the TOTAL cost for each budget period (Ex: $35,000 on a $100,000 grant)
- This limitation is mandated in the DoD Appropriation and is therefore non-negotiable. If indirect costs exceed 35%, funding may be reduced or a revised budget may be requested.
  - Revised budget, if requested, is subject to PM approval
  - Consider: 35% of TOTAL Cost = 53.846% of DIRECT Costs
- If the University is unwilling or unable to adjust direct costs to meet the 35% cap, formal cost sharing can be implemented.
**INDIRECT COSTS**

**Example**

MTDC = $420,000

F&A @ 50% = $210,000

If Total Cost is $685,000, Indirect Costs (F&A) would be 30.66% and within the limitation (210K/685K = 0.3066)

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**TOTAL COST**

- Total Cost (of the effort and for each individual budget period) should line up with the certified funding, which is usually based on the original budget submitted.
  - If you are revising a budget, please keep the totals the same for each individual period, as funding has already been determined.

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**FEEDBACK**

- Other Agency Processes
  - Improvements & Suggestions