Date: January 16, 2014  
Subject: OMB Omni-Circular

Dear Colleagues:

As you may have heard, the long-awaited guidance entitled “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards”, often called the Omni-Circular, was issued by the Office of Management and Budget (OMB) on December 26, 2013. The Omni-Circular consolidates, streamlines and supersedes eight existing Circulars, including Circulars A-21, A-110 and A-133. The new regulations will not take effect until December 26, 2014 and in the interim we expect OMB to issue further FAQs and the individual funding agencies to promulgate their own regulations. Until that information is forthcoming, it is difficult to assess the scope and effect of all of the changes. In the coming months, we will review and prepare to adapt our Columbia policies as appropriate, and we will notify you when new policies are in effect.

Although analysis of the Omni-Circular will take some time, upon initial review, we identified certain provisions of the Omni-Circular that may be of interest to investigators (again, these provisions are not yet in effect, but will be implemented in the next year):

• Agencies must generally make funding opportunities available for applications for at least 60 calendar days and must use common data elements.

• Voluntary committed cost sharing is not expected, may not be used as a factor during merit reviews of proposals and may only be required when set by regulations or specified in the RFP.

• Direct charging of computing devices is allowable for certain devices that are essential and allocable to the performance of a federal award, not just those that are solely dedicated to an award.

• As appropriate, the agency must require the recipient to relate financial data to performance accomplishments and recipient must provide cost information to demonstrate cost effectiveness. This reflects a new focus on performance for certain awards.

• Administrative costs may be treated as direct costs of a study if they are integral to the study, identifiable and approved.

• A non-federal entity’s negotiated indirect cost rate must be accepted by all agencies, unless a different rate is required by statute or regulation or approved by the agency head with written justification.

• Family–friendly policies are encouraged by, e.g., allowing temporary dependent care costs that result directly from travel to conferences.

We will keep you updated as additional guidance or regulations are issued.

Sincerely,

G. Michael Purdy  
Executive Vice President for Research

Anne Sullivan  
Executive Vice President for Finance