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July 8, 2016

National Science Foundation
4201 Wilson Blvd.
Room 1265
Arlington, VA 22230

Attention: Suzanne Plimpton – Reports Clearance Officer

Subject: Draft 2016 Large Facilities Manual

Dear Ms. Plimpton:

In accordance with the May 9, 2016 Federal Register Comment Request, AURA is providing the attached comments regarding the subject Large Facilities Manual draft. We hope you will take the attached remarks into consideration when finalizing this document. Please do not hesitate to contact me with regards to any questions you may have on our feedback.

Sincerely,

A handwritten signature in blue ink that reads "Val Schnader". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Val Schnader
Vice President for Operations
Phone: 202 204 1373
Email: vschnader@aura-astronomy.org

AURA comments on draft LFM 2016

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Table 3.4.1-1, List of the Essential Components of a Project Execution Plan

Section 4.4 of the components table “Scope Management Plan and Scope Contingency” includes “up-scoping opportunities” remarks. The intent of this phrase should be clarified, as it is unclear if this relates to the recovery of prior de-scopes or allows true scope increases.

Figure 4.2.2-1 Sample Project Management Control System Flow Chart

Regarding Risk Analysis Tools, the flow chart only shows only one approach; Monte Carlo Simulations. We recommend that other approaches be documented (e.g. bottoms up methodology using Cost, Schedule and Technical risk factors)

Section 4.2.2.4 Supplementary Guidance for Construction and Operations Awards.

To preclude confusion and to ensure consistency with Section 2.3.3.3 language, the word “sub-awards” should be replaced with “sub-awards and subcontracts” in both sub-sections G.5 and G.6 of Section 4.2.2.4. Given that the OMB Guidance addresses the terms “sub-awards” and subcontracts” separately, and noting that Section 2.3.3.3 of the Manual also addresses the terms separately, we suggest that Section 4.2.2.4 should read in the same manner.

Provision 5 on Section 4.2.5.1 states “NSF will hold budget contingency through project completion, in an amount up to 100% of the total NSF-approved contingency budget, until it can be justified for obligation.”

It should be noted that the NSF has already approved the contingency budget through the rigorous exercise noted in Section 4.2.5, so clearly the contingency amount (in aggregate) has been justified. In addition, as per ‘standard’ Cooperative Support Agreements, the NSF requires “All proposed changes or proposed use of contingency will be made known to NSF (posted via a change control database or similar) prior to authorization.” It would thus appear that justification before approval is already established. It is not clear what additional justification is required by this provision.

Also, it is unclear from this language as to whether the contingency funds will be provided as part of the annual funding action consistent with the funding profiles already established as part of the NSF process. If it is not, then there would potentially be delays in timely receipt of funds for contingency events; this could increase project costs. This change could restrict the ability of the projects to proactively manage risk (since funds may not be available as planned when needed – this again would drive project costs).

With regards to determining the amount to withhold, the burden to predict usage and the amount of contingency to allocate is a new administrative task that has the potential to drive

new tools or new features to existing tools. The new NSF expectation for risk levels and project health to be verified through Monte Carlo analysis of integrated cost, schedule and risk plans is not immediately suited to a time phased assessment. If historical performance and algorithmic models can be used this burden will be minimized but this policy is a noticeable increment in periodic administrative effort

Section 4.5.3 Recipient Performance Reviews and Audits

The review processes documented in Sections 4.5.3.2 through 4.5.3.4 are in essence “open ended” in number of reviews that may take place. It would be beneficial for the Foundation to establish some estimate of expected effort required by the awardee to support these activities. For programs already in place wherein project costing did not assume such required support, consideration should be provided for additional funding to address this additional scope.

In addition, the BSR explanation notes that the BSR “...determines if these policies and procedures conform to OMB requirements, NSF expectations, and other applicable federal regulations.” While the OMB requirements and federal regulations are explicit documents, it is not clear where “NSF expectations” are defined. This lack of clarity extends to the BSR Guide, and needs to be addressed more specifically.

The following are additional comments regarding the Large Facility Financial Data Collection Tool:

The instructions on the form are unclear as to whether a form for each CSA under a CA is to be submitted or if one form for all CSAs under a CA is required.

Additionally, the guidance does not provide specific deadlines requirements. Currently, it references to the award terms and conditions. However, the award terms and conditions do not address this compliance requirement.

It is not yet clear when the requirement for submitting the ‘first’ report is, if for FY16 data that could create issues. NSF is asking for public comment that will certainly lead to some changes in the data collection tool and will take time for NSF to revise. Given that we are already into the FY 4th quarter, there likely will not be sufficient lead time to properly prepare once the revised tool is released.

Tab: Instructions

Cell 10 – Instruction do not clearly define if awardees are expected to insert summarized expense total in the cells Users are to complete, or if detail (raw data) behind the summarized expense totals is to be provided. The draft spreadsheet allows for new tabs to be added which could facilitate the importing of detail, but it is unclear if the draft spreadsheet works in the same manner the final version will.

Cell 12 - This cell implies that multiple CSAs should be reported in the spreadsheet tool and the data will be consolidated on this worksheet. Conversations with NSF personnel at the Large Facility Workshop indicate that a separate spreadsheet tool should be submitted for each separate CSA. Clarification is required on this matter. Please note that AURA has separate CSAs under the same NSO CA that are funded from NSF funds and MREFC funds and we suspect these should not be reported as a combined total.

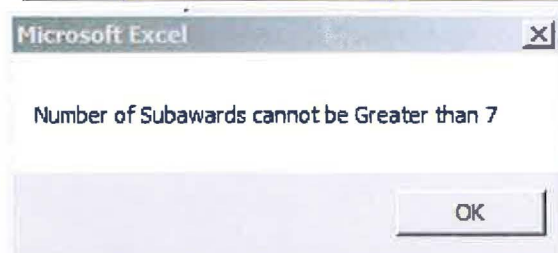
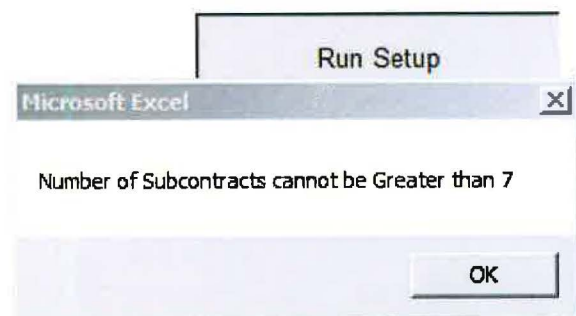
Subcontract & Consultants Worksheet (comments apply to Sub-awards worksheet as well)–

- Data as outlined on contracts is not required from the vendors in this format, so now requiring this data would result in additional cost for both the awardee and the vendor.
- Having this kind of detail in the proposal\budget stage is not part of current process.
- Having to gather data for each contract paid during the reporting period could result in an unmanageable amount of data.
- Not all contracts provide this information, requiring it could cause additional expense raising prices of services or goods.
- Many contractors that we work with are for profit companies so their costs may not reflect the price we pay for services; how do we report profit?
- Verification that the data is accurate will be difficult or costly.
- Time involved in gathering, storing and organizing this data would require additional effort by the awardee.

Setup tab – The cell in which the Users is to fill in the number of Subcontracts or Subawards being reported will not take a number greater than 7.

If Other, list name below:	
Name 1:	
Name 2:	
Name 3:	
Name 4:	
Name 5:	
Name 6:	

CSA	# of Subcontracts	# of Subawards
CSA 1	10	10



There will likely be situations where there are more than 7 contracts totaling a minimum of \$150,000. Either remove the limit and allow input for all contracts above 150k or explicitly state if contracts should be chosen by highest BAC, highest BCWS, highest Actuals, etc. for the 7 being chosen.

For grand totals to tie out for the total project all subcontract values should be used. Only selecting contracts totaling a minimum of \$150,000 could leave a substantial gap in reporting the total BAC of the project and may cause confusion validating data. Perhaps a solution is one line for all other contracts less than \$150,000.

The input sheets need to be clearer if budgets being entered are cumulative to date or BAC. Reducing the ambiguity of the budget data being requested would be helpful (specifically call out if this is a FY request, cumulative to date, or BAC). It may be useful to populate the tool with a sample (test) data for examples of how the budget and actual totals trace across the worksheets.

There are some cases where cells should be merged on the Subcontract/Sub award sheets (i.e. D:E, F:G, etc. for general look and feel). It also seems like rows 31 and 32 on those sheets should be formulas from the data entered above (Gray). Just a note, there could be a disconnect with this tool and EVMS data as EVMS data also includes estimated actuals based on delayed accounting processing of invoices.

Cooperative Support Agreement (CSA) Budget Worksheet –

Guidance needed for the level of supporting documentation detail required to provide for “total expenditures to date” on existing CSAs. Is the first report submitted supposed to report inception to date expenses as the current year expenses?

On the CSA Budget worksheet, it is unclear if this should only include the 7 Subawards listed from previous sheets or if this is a grand total. This is the problem with only entering a subset of data for the Subcontract/Subawards as there will be a delta between total budget numbers for the CSA and the numbers displayed in other sheets.

General questions on data to be provided:

Are totals in this report intended to tie to any other report submitted to NSF?

- Program reports include data on commitments which are not reported here.
- ACM\$ reports only show cash drawn, some expenses reported here may not have been paid in cash yet.
- Audited financial statements
- How is program income reported?