

Research Administration in Europe

The Foreign Organization System Review – a Tool for Managing Risks at Foreign Institutions

By Eva Björndal, Tiina Berg and Olaf Svenningsen

International research collaborations are important, exciting and necessary for the progress of science. However, the many substantial differences in national research systems and legislations, as well as differences in traditions and mindsets create challenges entailing substantial risks that research administrators need to deal with efficiently.

The authors of this article have experience in managing many US Federal research grants, mainly from the NIH, in Sweden, Finland, and Denmark. Here we share our knowledge and experience of the Foreign Organization Systems (FOS) review that has been helpful for us to understand the expectations of both US funders and US prime awardees. At the 56th NCURA Annual Meeting this summer, we discovered that the FOS Review is largely unknown to our American colleagues, so we take this opportunity to briefly introduce it, and demonstrate its usefulness as a tool for research administrators.

What is the FOS review? It is a 4-day site visit to foreign institutions by a team of representatives of the NIH, more specifically NIAID, which may be performed when the institution receives substantial NIH funding. The FOS Review follows a specific format and includes a fixed agenda for the visit and a questionnaire comprising of about 150 questions divided into 20 sections as shown.

The questionnaire is intended to extract a comprehensive and fairly detailed overview of the institution's administrative set-up. It is also designed to spot risks and potential issues, hopefully before they occur, which is why we refer to it as a tool.

Now take a moment to consider how your own institution would be prepared to answer this questionnaire – especially if coming from a foreign funding agency, e.g. the EU Commission. You would get 3 weeks notice to prepare an in-depth description of your entire institutional administration and its systems. Is that not an interesting thought?

Two of us have experienced FOS reviews at our respective institutions. They were intense experiences that were important for our, and our institutions', understanding of the requirements and administrative burden related to applying for, and managing US federal grants. One FOS review recommendation even led to a change in national legislation, as NIH grants were specifically made exempt from a value-added tax levied on all non-public or foreign funding.

So why is the FOS Review useful for research administrators, then?

First, for foreign institutions, it puts sharp focus on the expectations and requirements from the US funding agency. This may seem evident, but US grants normally constitute a small proportion of the total research income of European institutions, and it is not unusual that a single individual at the institution is expected to perform all the administrative tasks associated with US grants, often as a part-time assignment, too. A single individual, who usually cannot devote all of his or her effort to this task, is thus often expected to carry out the work done by entire grants offices at US institutions. A FOS review visit and the questions themselves will make the need for the allocation of sufficient resources obvious to the institution's manage-



Foreign Organization System Review – Table of Sections

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- C. Policies And Procedures
- D. Award Monitoring
- E. Fiscal And Scientific Overlap
- F. Standards Of Conduct
- G. Consortium Arrangements
- H. Indirect Costs
- I. Record Management
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- K. Budgetary Controls
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- N. Personnel
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- P. Procurement
- Q. Property Management
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ment, and lead to a better understanding of the regulatory framework.

Second, the FOS review questionnaire is designed to identify known potential problem areas, compliance being one of them. Question C4, "What are your organization's procedures for

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assuring compliance with NIH/NIAID requirements”, is a relevant question to ask any foreign institution. Since national or regional requirements already incur a significant administrative burden, most institutions are unlikely to have specific procedures for foreign funders that provide only a small fraction of the total income, no matter how prestigious such income may be.

Another question that may reveal different understandings of concepts is E1: “How does your organization ensure that funds are not received from several sources for the same science?” In many situations, receiving funding from several sources for the same science – sometimes even for the same project – may be a requirement outside the US, so an alignment of understanding here may be crucial.

A third and last example is the questions about the 8% indirect costs allocation that NIH allows foreign institutions (please note that the FOS review questionnaire does not refer to “F&A”, a term not used outside the US). The 8% is not allowed to be used as regular F&A, but can exclusively be used to cover additional costs caused by compliance requirements.

The FOS review with its 150 questions is thus a comparatively easy and straightforward tool to make a comprehensive review of US Federal requirements for research grants. It provides guidance in what may constitute problem areas and it is easy enough to understand for anyone working with research administration, since it is relatively free from nation-specific terminology. The questionnaire can be downloaded from the NIAID website and is available in many different languages¹.

If there is one tip that we would like to give the American colleagues managing foreign subawards, it is that please share the FOS review questionnaire with your non-US sub-awardees and ask them to consider these questions. As sub-awardees we would have found it very helpful and positive to receive it from our Prime. The bottom line is that you learn a great deal from these reviews, and even just from the questionnaire. We have certainly become better equipped to receive NIH-funding after the reviews. ■

References

1. NIH/NIAID's Foreign Organization Systems Review web page: <http://www.niaid.nih.gov/researchfunding/int/pages/fos.aspx>



Eva Björndal, Team Leader for the Post-Contract Office, Grants Office, Department of Research Support at Karolinska Institutet, Sweden. Eva is also the current Chair of NCURA's International Region, and a member of the Research and Innovation planning group of NUAS, the Nordic Association of University Administrators. She can be reached at eva.bjorndal@ki.se



Tiina Berg, Senior Research Funding Advisor at the University of Helsinki Research funding services. Tiina's responsibilities cover pre-award services, negotiation and post-award non-financial activities related to international funding. She can be reached from tiina.berg@helsinki.fi



Olaf M. Svenningsen, Ph.D., Head of Southern Denmark Research Support at the University of Southern Denmark (SDU) and the Region of Southern Denmark. Olaf's primary responsibilities at SDU are pre-award activities, including strategy and systems development and implementation. Olaf is presently chair of DARMA, the Danish Association for Research Managers and Administrators, and board member at its European sister organization, EARMA. He can be reached at osvenningsen@health.sdu.dk.

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14%:

Rate of increase in online giving in 2013.

\$2.7 Billion:

Estimated funds crowdfunded online in 2012.

\$5.1 Billion:

Estimated funds crowdfunded online in 2013.

224:

Number of countries where Indiegogo operates.

70%:

Crowdfunding campaigns enabled by Indiegogo in the US.

\$429.03:

Average amount raised per crowdfunding campaign in the US in the second quarter of 2014.

Sources:

<http://philanthropy.com/article/Online-Fundraising-Goes/146619>

<http://www.forbes.com/sites/chancebarnett/2014/08/29/crowdfunding-sites-in-2014/>

<http://www.ft.com/cms/s/0/8e5be7d0-23c2-11e4-8e29-00144feabdc0.html#axzz3CU3PacnL>

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