

and compliance as required under 2 CFR sections 200.514(c) and (d). One example of a specific cross-cutting special term and condition is key personnel.

Key Personnel

Applications/proposals or awards may include staffing proposals that specify individuals who will work on the project and the extent of the planned involvement of personnel. The non-federal entity may change the staffing mix and level of involvement within limits specified by agency policy or in the award but may be required to obtain federal awarding agency approval of changes in key personnel (as identified in the award, which may differ from the non-federal entity's designation in the application/proposal) and changes in the principal investigator's/project director's time commitment/level of participation in the project. For grants and cooperative agreements, this may include not only a change in the principal investigator or project director but also the disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator 2 CFR sections 200.308(c) (2) and (3)). For cost-reimbursement contracts under the FAR, specific key personnel requirements are included in the contract (or task order).

Audit Objectives To determine whether the non-federal entity adhered to key personnel commitments specified in the application/proposal or award (which may be an incorporation by reference of the approved application/proposal) and obtained any required federal awarding agency approval for changes.

Suggested Audit Procedures

- a. Review the non-federal entity's procedures for determining if key personnel were involved in the project.
- b. Review a sample of projects and determine if key personnel identified in the application/proposal and award were involved in the project as required.
- c. Determine if the non-federal entity complied with any award requirements for approval of changes in key personnel or absence from, or changes in time committed to, the project by the approved project director or principal investigator.