

PI QUICK GUIDE
**MAJOR CHANGES IN THE UNIFORM GUIDANCE AFFECTING
 PROPOSAL BUDGETS, SUBAWARDS, AND CHARGING OF DIRECT COSTS**

The U.S. Office of Management and Budget (OMB) has combined many federal circulars into a single document of government-wide grants management policies and guidelines. Known as Uniform Guidance, or 2 CFR 200, these new regulations will become effective December 26, 2014.

<p>CHARGING ADMINISTRATIVE/CLERICAL SALARY COSTS</p> <p>Applicable Uniform Guidance sections: 200.413 200.430</p>	<p>Administrative and clerical salaries (in certain circumstances) can be included on competitive proposal budgets.</p> <p>In general, administrative and clerical salaries should still <u>not</u> be directly charged. However, with the new Uniform Guidance, these salaries may be charged directly to a federal award if <u>all</u> of the following criteria are met:</p> <ul style="list-style-type: none"> • Administrative or clerical services are integral to a project or activity; • Individuals involved can be specifically identified with the project or activity; and • Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency. <p>If all of these requirements are met, the PI/Department must include proper and sufficient justification of the proposed costs in the grant application. For National Institutes of Health (NIH) modular grants that do not require line-item budgets or justifications, justification for the inclusion of administrative and clerical salaries should be included in the required <i>Personnel Justification</i>.</p>
<p>COMPUTING DEVICES (UNDER \$5,000 UNIT COST)</p> <p>Applicable Uniform Guidance sections: 200.33 200.48 200.89 200.439 200.453C</p>	<p>Computing devices can be included on competitive proposal budgets.</p> <p>Computing devices under \$5,000 per unit may be directly charged to the project or activity under the following circumstances:</p> <ul style="list-style-type: none"> • The computing devices are <u>essential</u>* and allocable to the project in that they are necessary to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. • The project does not have reasonable access to other devices or equipment that can achieve the same purpose; devices may not be purchased for reasons of convenience or preference. • Items costing more than \$5,000 per unit are considered equipment and follow federal equipment rules for when they can be directly charged (see sections 200.33, 200.48, 200.89, 200.439). <p>*PIs are responsible for determining whether the device is “essential” and to what extent the cost of the device is allocable to the sponsored project. PIs/Departments should maintain documentation that describes how the proposed computing device meets the above requirements.</p>
<p>PARTICIPANT SUPPORT COSTS</p> <p>Applicable Uniform Guidance sections: 200.75 200.456</p>	<p>Participant support costs can be included for agency approval on competitive proposal budgets.</p> <p>Participant support costs (see 200.75) are allowable with agency prior approval. This includes stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects. Participant support costs are not routinely allowed on research projects but can be charged if the project includes an education or outreach component and the agency approves such costs. These costs should be explicitly listed in the proposal budget or approved by the funding agency after the award has been made.</p>

<p>VISA COSTS</p> <p>Applicable Uniform Guidance section: 200.463D</p>	<p>Short-term travel visa costs can be included on competitive proposal budgets.</p> <p>Since short-term visas are issued for a specific period and purpose, they can be clearly identified as directly benefiting work performed on a federal award and can be directly charged. For these costs to be directly charged to a federal award, they must be (1) critical and necessary to the project and (2) allowable by the agency. Also, the charges need to be consistent with MU’s cost accounting policies and practices. Typically, these visas allow employees and students to engage in field research or attend meetings in foreign locations, or allow foreign visitors to visit MU in support of the project. Long-term visa costs, such as those that enable employment at MU (for example “J” and “H1B” visas) are not allowable as direct charges.</p>
<p>F&A ON SUBAWARDS</p> <p>Applicable Uniform Guidance section: 200.331</p>	<p>The subrecipient’s negotiated facilities and administrative (F&A) rate, or an alternative rate as described below, must be used for all subawards included in competitive proposals.</p> <p>If a federal program has a published statutory F&A cap, that rate must be used both by MU and all of its subrecipients. For all other federal programs, if a subrecipient has a federally negotiated F&A rate, it must be used. If the entity does not have a negotiated F&A rate, a 10% de minimis F&A rate must be used instead, or the PI/Department may request that OSPA negotiate an F&A rate with the subrecipient. PIs/Departments may not negotiate or agree to lower rates with subrecipients.</p> <p>There is no change to MU’s own F&A recovery, which remains limited to F&A associated with the first \$25,000 of each subaward.</p>
<p>FIXED PRICE/RATE SUBAWARDS</p> <p>Applicable Uniform Guidance section: 200.332</p>	<p>Agency prior approval is required to enter into fixed price/rate subawards, which may not exceed \$150,000.</p> <p>Agency prior approval is required to enter into a fixed price/rate subaward rather than a cost-reimbursement subaward. The total value of each fixed price/rate subaward may not exceed \$150,000.</p>
<p>REVIEW OF SUBAWARD PROGRAMMATIC REPORTS</p> <p>Applicable Uniform Guidance section: 200.331(d)(1)</p>	<p>MU’s monitoring of subrecipients must include review of programmatic reports.</p> <p>PI approval is required before MU pays a subrecipient invoice. The language of the request-for-approval email has been updated as follows (with new language <u>underlined</u>):</p> <p><i>Attached is a subcontractor’s invoice that I have already reviewed for compliance with the financial terms and conditions of the subcontract. If, to your knowledge, the amount of payment is commensurate with technical progress <u>and all programmatic reports have been submitted in accordance with the requirements outlined in the subaward agreement</u>, please indicate your approval by your positive response to this email. I have summarized the invoice information below.</i></p> <ul style="list-style-type: none"> · Sponsor: · Subcontractor: · Invoice No.: · Amount: <p><i>If this is the final invoice from the subcontractor, your positive response authorizing payment will be an indication that all work is completed and any required technical report has been received.</i></p> <p><i>If, for any reason, you feel this invoice, or any part of it, should not be paid as is, please notify me as soon as possible so that we can work together to solve any concerns with this subcontract payment.</i></p>