Direct Charging Administrative and Clerical Costs under the Uniform Guidance

RAC Forum
17 February 2016
Old Rule (A-21)

- Administrative and clerical costs are expected to be paid from indirect costs
- *However*, these costs may be *direct* charged when in the case of a *major project* under Appendix C of A-21:
  - PI can show that costs can be tracked – “directly associated with the PI’s sponsored project
  - Necessary to carry out technical objects
  - “Above and beyond the normal support” provided by the PI’s department
Examples of Major Projects

- Large complex programs such as General Clinical Research Centers or Primate Centers
- Projects that require making travel and meeting arrangements for large numbers of participants, such as conferences and seminars
- Projects whose principal focus is the preparation and production of manuals and large reports or books
- Projects that are geographically inaccessible to normal departmental administrative services
Administrative and Clerical Salaries (Uniform Guidance)

• Still generally expected to be paid from indirect costs
• *However*, these costs may be *direct* charged when:
  – Administrative or clerical services are “integral” to the project
  – Individual is specifically identified
  – Included in sponsor approved budget or other written approval
  – Not also included as indirect cost
SPO Review of Administrative and Clerical Salaries

- Budget justification must explain why admin/clerical services are essential/indispensable for success of project and above and beyond normal departmental service
- Staff members effort should be significant, e.g., at least 10% over one budget year. Fed sponsor will decide.
Post-award Considerations

• If costs were not included in proposal, PI should not charge admin/clerical costs until SPO obtains federal sponsor approval.
• Admin/clerical staff members with project effort on must report/certify the effort in the campus Effort Reporting System
Programmatic Salary Costs

• Costs related to –
  – Protocol development and maintenance
  – Managing substances/chemicals
  – Managing and securing project-specific data
  – Coordination of research subjects
• Can be direct charged if “contributing and directly related to” work under an agreement
• Not subject to same approval requirements as administrative and clerical salaries