

## Proposal Preparation Guidance

### Costing and Budget Considerations in light of Uniform Guidance – Major Changes

Change	Action	Notes	UG section
<p>Criteria for allowability of direct charging of <b>administrative effort/salary</b> has been revised. “Major Project” language has been removed.</p>	<p>Budget justification should explain how direct charging of administrative costs is justified using the new criteria.</p> <p><b>Criteria used to justify direct charging of administrative/clerical salaries</b></p> <ol style="list-style-type: none"> <li>1. Administrative or clerical services are <u>integral</u> to a project or activity; AND</li> <li>2. Individuals involved can be <u>specifically identified</u> with the project or activity; AND</li> <li>3. Such costs are <u>explicitly included in the budget or have the prior written approval of the Federal awarding agency</u>; AND</li> <li>4. The costs are not also recovered as indirect costs.</li> </ol>	<p>“Major project” language from A21 is eliminated, <i>but</i> these criteria basically still apply: a project that requires an extensive amount of administrative and clerical support which is significantly greater than the routine level of such services provided by department.</p> <p>OSU is not setting percentage FTE guidance for the term “integral”. Please be detailed in describing how the position is integral to the project.</p> <p>What does “Integral” mean?</p> <ul style="list-style-type: none"> <li>• Contributes directly to the success of the federal project</li> <li>• Supports a programmatic objective or activity</li> <li>• Significance of the activity to the scope of work can be clearly justified</li> </ul>	<p>200.413 and 200.430</p>
<p><b>Computing device</b> purchases are allowable as a direct cost. These are “machines used 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.”</p> <p>Computing devices are now allowable as a direct cost if the devices are <u>essential</u> and <u>allocable</u>, but <u>not solely dedicated</u>, to the performance of a federal award.</p>	<p>Budget justification should include computing device purchases in the “supply” category and explain how the devices are essential and allocable to the project.</p> <p>The UG treats computers like other supplies; as a reminder, a supply is an item with an acquisition cost less than \$5,000.</p>	<p>The computing device must be necessary and reasonable for the performance of the work.</p> <p>It must be charged to the project in some manner that reasonably relates to its use on the project. For example, if a postdoc’s time will be split across two sponsored projects, a computer purchase for the postdoc’s use should be split across the two grants.</p> <p>The project must 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.</p>	<p>200.33 200.48 200.89 200.439</p>

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<p><b>Participant support costs</b> are allowable if project includes an education or outreach component, the costs are separately budgeted, and the agency approves the cost.</p>	<p>Include in proposal budget and justification in a separate category named “participant support costs”.</p> <p>PSC typically include stipend or subsistence allowances, travel and registration fees for participants and trainees (but not employees) in connection with conferences or training programs.</p>	<p>Participant Support costs are exempt from F&amp;A.</p> <p>They cannot be re-budgeted for other purposes without sponsor prior approval.</p>	<p>200.75 200.456</p>
<p>Short term, non-immigration <b>travel visa costs</b> are allowable as a direct cost.</p>	<p>You may include short-term visa costs in a project budget; budget justification should explain how the costs are justified due to the circumstances.</p> <p>Typically this type of visa allows employees and students to engage in field research or attend meetings in foreign locations, or allow foreign visitors to visit the University in support of the project.</p>	<p>Short term travel visa costs are allowable when the visa is issued for a specific period and purpose, and clearly identified as directly connected to work performed under the program. The cost must be critical and necessary for the conduct of the project and be allowable by the agency.</p> <p>Long term visa costs are not allowable as a direct cost.</p>	<p>200.463d</p>
<p>If the subrecipient does not have a negotiated F&amp;A rate, a <b>10% de minimus MTDC F&amp;A rate</b> may be used by the subrecipient.</p> <p>If the subrecipient has a negotiated F&amp;A rate, it should be used unless the sponsor or opportunity has a published rate cap. OSU must not ‘entice or compel’ a subwardee to accept another rate.</p>	<p>Upon receipt of the subrecipient’s budget for inclusion in the OSU proposal, ensure that the F&amp;A rate used is subrecipient’s negotiated rate or if no negotiated rate, the 10% MTDC.</p>		<p>200.331 200.414</p>

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<p><b>Subaward may be issued as a fixed price</b> agreement if the total value is \$150,000 or less, and meets specific criteria.</p> <p>Agency prior approval is needed.</p>	<p>State in the budget justification that a fixed price subaward will be issued. Ensure the criteria are met.</p> <p>Obtain a detailed budget (or other reasonable pricing information) from the subawardee as the amount of the fixed price subaward must still be based on the federal cost principles and OSU is responsible for ensuring this. This detailed budget may or may not be entered into the proposal.</p> <p>Criteria:</p> <ol style="list-style-type: none"> <li>1. Payments based on meeting specific requirements/milestones, i.e. deliverables.</li> <li>2. Project scope is specific as to the milestones or deliverables</li> <li>3. Adequate cost or unit pricing data is available</li> <li>4. The program does not require cost share</li> </ol>	<p>Contact your SPO if you need assistance in determining which type of subaward is most appropriate: fixed price or cost reimbursable.</p> <p>Typically used with foreign subrecipients, clinical trial site agreements and occasionally with small businesses or organizations.</p>	200.332
<p>Cost sharing: <b>for research proposals, voluntary committed cost sharing is not expected</b></p> <p>Cost sharing cannot be considered during merit review process unless specified in notice of funding opportunity.</p> <p>Unrecovered indirect costs (F&amp;A) may only be included as part of cost sharing with agency prior approval</p>	<p>Do not include cost share in proposal unless it is mandatory to do so. Carefully review the RFP.</p> <p>If including cost share of unrecovered F&amp;A, note this in the budget justification and budget.</p>		200.306