CAN I CHARGE THIS ITEM TO A GRANT?

OPAFS Forum
February 17th, 2015
COMPLIANCE ORDER OF PRECEDENCE

UC Policies

Award

Program Specific

Agency Terms & Conditions

OMB Circulars

Public Laws
FACTORS AFFECTING ALLOWABLE COSTS
E CFR 200.403

• Allowable
• Reasonable
• Allocable
• Consistent Treatment
COSTS THAT ARE NORMALLY CONSIDERED UNALLOWABLE ON FEDERAL AWARDS

- Advertising and public relations
- Alcoholic beverages
- Convocations or other events related to instruction
- Donations
- Entertainment
- Fines and penalties
- Fully depreciated assets or assets gifted by the federal government
- General purpose equipment, buildings, and land
- Honoraria
- Housing and personal living expenses
- Insurance and indemnification
- Legal costs
- Lobbying
- Memberships in any civic or community organization
- Royalties or patents
The fact that a cost requested in a budget is awarded, as requested, does not ensure a determination of allowability. The organization is responsible for presenting costs consistently and must not include costs associated with their F&A rate as direct costs.”
CASE STUDY #1

The admin assistant orders binders to restock the department’s office supply cabinet. When the PI takes four of them for use in her lab, the office manager wants to charge her project budget. Is the cost of the four binders considered an allowable project cost?

- Allowable?
- Reasonable?
- Allocable Costs?
- Consistent Treatment?
Dr. Cutter invited his co-investigator on his PPG, an expert in the field of zebra fish from another university, to give a talk to your university staff/faculty about the unique discovery they have made on their project. After the seminar Dr. Cutter and several other faculty members have dinner with the speaker at a local restaurant before his flight home. What, if any, expenses incurred can be charged to Dr. Cutter’s grant?

- Allowable?
- Reasonable?
- Allocable Costs?
- Consistent Treatment?
A Principal Investigator had a knee-replacement surgery in the winter and must travel to Munich in the upcoming spring. The PI has not fully regained mobility and has a problem sitting in a small confined space. The PI purchased a business-class ticket with the approval of the department chair. Can the cost of the ticket be charged to the PI’s NSF grant?

- Allowable?
- Reasonable?
- Allocable Costs?
- Consistent Treatment?
Annually Dr. Cooper holds a scientific meeting for his P50 Center grant and invites experts from around the US to come and listen to their research progress and findings. The invited experts then give feedback on how the research is doing, as well as offer suggestions. Can we pay the invited experts $500 for their participation in the meeting?

- Allowable?
- Reasonable?
- Allocable Costs?
- Consistent Treatment?
ALLOWABLE OR UNALLOWABLE?

It Depends...

You Decide...
USEFUL LINKS

- OMB Uniform Guidance (UG)* E CFR 200.403 - Factors Affecting Allowability of Costs
  https://www.federalregister.gov/articles/2013/12/26/2013-30465/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards#sec-200-403

- OMB Uniform Guidance (UG)* E CFR 200.474 - Travel Costs

- OMB Circular A-21 Section C Basic Consideration
  http://www.whitehouse.gov/omb/circulars_a021_2004#c

- OMB Circular A-21, Section J: Selected items of cost
  http://www.whitehouse.gov/omb/circulars_a021_2004/#j

- NIH GPS, 7.9.1, Select items of cost - - presents specific items that may or may not be included in the cost portion of grants.
  http://grants.nih.gov/grants/policy/nihgps_2013/nihgps_ch7.htm#selected_cost_items

- NIH Notice of Change to Non-Allowable Costs for PA-10-071: NIH Support for Conferences and Scientific Meetings (Parent R13/U13)

- Blink: Sponsored Project Allowable and Unallowable Costs
  http://blink.ucsd.edu/finance/awards/compliance/allowable.html

- Blink: Travel and Entertainment Restrictions
  http://blink.ucsd.edu/travel/entertainment/approval/restrictions.html

- Blink: Exceptions to Coach and Economy Class Airfare
  http://blink.ucsd.edu/travel/training-guidelines/booking/air/business-firstclass.html

*OMB Uniform Guidance (UG) - effective Dec 26, 2014