

## Uniform Guidance Quick Guide for PI's and Research Administrators

### Major Changes in the Uniform Guidance Affecting Proposal Budgets and Charging of Direct Costs

The Office of Management and Budget (OMB) has combined eight existing federal circulars into a single guidance document (known as Uniform Guidance ((UG), or 2 CFR 200) that can be used by all agencies. This is a major reform of how the federal government provides assistance awards with the goal of increasing accountability and transparency while reducing the administrative burden borne by the parties.

These UG administrative requirements and cost principles will apply to new and incremental funding awarded after December 26, 2014.

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| <p><b>Charging Administrative/ Clerical Salaries to Sponsored Awards</b><br/>Uniform Guidance Section 200.413</p>                           | <p><u>Administrative and clerical salaries can be included on proposal budgets.</u> In general, the salaries of administrative and clerical staff should normally be treated as indirect (F&amp;A) costs. However, direct charging of these costs may be appropriate if <b>all</b> of the following conditions are met:</p> <ul style="list-style-type: none"> <li>• Administrative or clerical services are integral to the project or activity;</li> <li>• Individuals involved can be specifically identified with the project or activity;</li> <li>• Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and</li> <li>• The costs are not also recovered as indirect costs.</li> </ul> <p>West Virginia University has defined integral to mean services that are essential, vital, or fundamental to the sponsored project or activity.</p> <p><i>The Uniform Guidance Working Group at WVU is drafting a policy to cover this subject.</i></p> |
| <p><b>Computing Devices (under \$5,000 unit cost)</b><br/>Uniform Guidance Section 200.33<br/>200.48<br/>200.89<br/>200.439<br/>200.453</p> | <p><u>The cost of computing devices may be charged directly to a sponsored award as a supply item regardless of the useful life of the device under the following conditions:</u></p> <ol style="list-style-type: none"> <li>1. It is essential and allocable to the project;</li> <li>2. The cost does not exceed the equipment capitalization cost per unit (currently \$5,000);</li> <li>3. A justification and explanation of how the device is essential to the project is provided in the proposal budget or during the life of the award.</li> </ol> <p><i>The Uniform Guidance Working Group at WVU is drafting a policy to cover this subject.</i></p>   |
| <p><b>Participant Support Costs</b></p>   | <p><u>Participant Support costs are allowable with agency prior approval.</u> These costs should be explicitly listed in the proposal budget or approved by the funding agency</p>  |

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| <p>Uniform Guidance Section 200.75<br/>200.456</p>                                       | <p>after the award has been made. Participant Support costs include 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.</p> <p><i>The Uniform Guidance Working Group at WVU is drafting a policy to cover this subject.</i></p>   |
| <p><b>F&amp;A on Subawards</b><br/>Uniform Guidance Section 200.331</p>                  | <p><u>The subrecipient’s negotiated F&amp;A rate or an alternative rate as described below must be used for all subawards included in competitive proposals.</u></p> <p>If a federal program has a published statutory F&amp;A cap, that rate must be used by WVU and all of its subrecipients for that program. For all other federal programs, if a Subrecipient has a federally negotiated F&amp;A rate, it must be used. If the entity does not have a negotiated F&amp;A rate, a 10% de minimus F&amp;A rate must be used instead. PI’s may not negotiate or agree to lower rates with their subrecipients. There is no change to WVU’s recovery of its own F&amp;A – this remains limited to receiving our F&amp;A on the first \$25K of each subaward.</p>   |
| <p><b>Cost Sharing</b><br/>Uniform Guidance Section 200.306</p>                          | <p><u>The Uniform Guidance clarifies that voluntary committed cost sharing isn’t expected. <b>Some Federal sponsors are rejecting proposals that include voluntary cost sharing.</b></u></p> <p>Voluntary cost sharing cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity. Mandatory cost sharing requirements must be stated in the funding announcement.</p>  |
| <p><b>Subawards and Subrecipient Monitoring</b><br/>Uniform Guidance Section 200.331</p> | <p>The WVU Office of Sponsored Programs is now required to conduct sub-recipient risk assessments and post-award monitoring of sub-awards. The PI’s responsibilities related to these new requirements are:</p> <ul style="list-style-type: none"> <li>• Assessing sub-awardee’s technical progress in relation to the categories of expenditure (e.g. unanticipated or unrelated supply or equipment charges) and the rate of expenditure (e.g. high labor costs with no reported technical progress) represented in sub-recipient invoices. [If the sub-awardee cannot explain cost discrepancies, the Office of Sponsored Programs should be notified.]</li> <li>• Approving financial and programmatic reports and sub-recipient invoices and documenting all such approvals.</li> </ul> <p><i>The Uniform Guidance Working Group at WVU is updating policy/procedures to cover this subject.</i></p> |
| <p><b>Procurement</b><br/>Uniform Guidance Section</p>                                   | <p>New Procurement standards involve many changes for Institutions of Higher Education, and the implementation date for procurement changes has been extended to July 1, 2016. The Uniform Guidance Working Group at WVU is researching the</p>   |

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| 200.318 | changes that need to be made, and updates to this guide will be made as soon as the information is available. |
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