Non-personnel OMB A-21 Exceptions – Direct Charging to Federal Projects

Policy

Direct charging costs to federal grants which are typically considered facilities and administrative (F&A) costs may be appropriate only if specific conditions are met. These conditions include all of the following:

1. Items are required by the project’s scope of work
2. Costs can be specifically and easily identified to this project
3. The number and/or cost of the items needed are clearly in excess of what would normally be considered F&A costs by OMB A-21 and University policy.

The proposal budget justification should provide a clear explanation as to how the proposed charges meet these conditions.

Subscriptions/Books/Periodicals

Subscriptions/Books are usually considered (F&A) costs, and are therefore not allowed as direct costs. Subscription/Book costs may be allowable as direct costs only if appropriately justified. The budget narrative should indicate how these criteria are met and provide cost information for each subscription/book.

Office Supplies/Computers/Software/Office Equipment

General-purpose office supplies are usually considered F&A and are therefore not allowed as direct costs. When items normally considered office supplies are purchased for technical or scientific use on a project, charges may be allowable as direct costs if appropriately justified. Any supplies paid from a sponsored project must be consumed within the life of the project.

The category of office supplies includes such items as computers, copiers, paper, envelopes, paper clips, binder clips, binders/notebooks, transparencies, rubber bands, legal pads, pens, pencils, markers, post-it notes, liquid paper, staples/staplers, tape/tape dispensers, clocks, calendars, paper punchers, University stationery, desk organizers, file cabinets, file folders, printer paper, printer ribbons, toner cartridges, diskettes, zip disks, etc. While for some of these items it may be possible to justify the items as allowable as a direct cost on a sponsored project, for most of these there is simply no defensible methodology for allocating the cost of item among sponsored projects or general administrative work. As such, these items should not be even considered for inclusion as a direct cost. For example, the cost of a box of paperclips is impossible to properly allocate among sponsored projects, even if kept with a single lab if the lab contains more than one sponsored project. As such, an attempt to include the paperclips as a direct cost is not feasible or cost effective.

The category of office supplies also includes general-purpose software and site licenses (e.g., Word, Excel, GroupWise, etc.), and these items are normally not allowable as direct costs. Software is only allowable if it is special-purpose software required for data acquisition or interpretation for a sponsored research project. The budget narrative should list each item being requested along with its unit cost. A justification is required which describes the circumstances of the project and demonstrates why the items are needed and how these charges comply with University policy.

Memberships

An individual membership to a professional group may be allowed as a direct charge if the following can be demonstrated:

1. The membership creates a cost-savings to attend a conference at which research results specific to the project will be presented, or membership is mandatory in order to present a paper specific to the project or
2. The sole purpose of the membership is to purchase a periodical at a reduced rate, and the periodical is not available through the institution’s library services and the periodical is necessary for the sponsored project.

The budget narrative should indicate how the membership costs meet these requirements.

Postage (including overnight carriers such as Federal Express, UPS, Airborne, etc.)

Postage is usually considered a F&A cost, and is therefore not allowed as direct costs. Postage charges may be allowable as direct costs if appropriately justified. The justification for postage to be
charged as a direct cost must demonstrate a need required by the scope of work. Examples include mail surveys, deliverables, and information to be reviewed by several project participants. The shipping of samples, equipment, and parts through the mail or via other carriers is allowable as a direct cost without justification.

**Telecommunications**

Local telephone costs (line charges, equipment rental, etc.) and cell phone costs are usually considered facilities and administrative costs, and are therefore not allowed as direct costs. Exceptions are made for equipment and toll charges for phones needed in field work, cellular phones needed for field site coordination, phone call charges while on travel, and in large projects requiring dedicated lines. Long distance calls necessary for the conduct of a sponsored project are allowable with proper documentation. NOTE: Only in specific circumstances may cell phone costs be charged directly to a sponsored project. These costs are generally approved prior to proposal submission by OSP, but absolutely must be approved by OSP before C&G will process a purchase request.

**Office Supplies**

We have included office/administrative supplies in the direct costs budgeted for this project. These items will not be used for routine administration, but will be dedicated solely as outlined in the research plan (in support of specific aim three). We plan to provide comprehensive training manuals to each of the two hundred study participants. These manuals will include detailed instructions for completing the six surveys. Each participant will be contacted by postcard eight times during the study. Manuals contain one hundred pages of printed instructions, six sets of surveys totaling 670 pages, one set of binder sections, eight large pre-addressed manila envelopes, and all will be inserted into a three-ring binder. The cost of a manual is $18. Total supply cost for manual development for all two hundred study participants will be $3,600.

**Membership**

In year two of the project Dr. I. B. Smartt, PI, will present data from this study at the annual meeting of the X-Ray Society (X-RS), the premiere association for x-ray crystallographers in the U.S. In order to present project findings at this meeting, she must be a member of X-RS in both year one and year two (when the abstract is submitted for consideration). Dues of $200 are budgeted for each year, totaling $400.

**Postage**

Surveys (described in the proposed Scope of Work) will be conducted three times per year in each of the five years of the project for each of the 500 participants. Participants will be provided self-addressed, stamped envelopes for mailing the surveys back each time. Postage costs for the 15,000 mailings (500 X 5 X 3 X 2) are anticipated to be $3.00 per mailing, for a total of $45,000.

**Books**

Quayle’s *Measuring the Differences Between Quarks and Mesons* is the only written source available that describes the complicated atom-smashing procedures that will be followed in this study. The Research Technician who will be measuring the mesons needed during Phase I needs this book and it is not available in any of UGA’s libraries. This book ($235) will be used on a daily basis during Phase I of the proposed series of studies, and again during Phase II (see specific aim 2).

**Personal Computers (Off-Campus)**

$3,000 has been budgeted for a laptop computer dedicated to this project. The PI will use the computer in the forests of Borneo to record observational data on the pygmy monkey family clusters living there, as described in the project’s methodology.
Personal Computers (On-Campus)

$4,500 has been budgeted for two computers used to display the stimuli for the *Forman Test of Sustained Attention*. Two subjects will be scheduled and tested simultaneously in order to collect the needed data during the last week of summer school, following completion of the training program. Both computers will be connected to a single printer ($2,500), which will collate the raw data collected and create a printout of test performance for each subject tested. The raw data must be printed so that the PI can physically measure temporal intervals between responses recorded on the printout (as stated in Specific Aim 4).

Personal Computers (On-Campus)

$4,000 for a personal computer is requested. The computer will be used solely for this project to upload all data on a daily basis. The data must be reviewed each evening and cleaned up by the Data Integrity Technician for transport the following day to the headquarters for this multi-site study.

Credits

Adapted from the University of Georgia

Related Documents

A Guide to Major Projects and Charging Administrative Costs to Sponsored Programs

Guidance Document on Computer Purchases Costing Less than $5,000 as Direct Charges on Federally Sponsored Research Projects