



Policy and Procedure

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

Origination Date: March 31, 2007

Effective Date: March 31, 2007

Policy Statement

In its capacity as the fiscal and administrative agent for Old Dominion University’s sponsored program activities, it is the policy of Old Dominion University Research Foundation to properly charge administrative and clerical costs to sponsored projects in accordance with the Office of Management and Budget Circular A-21 regulations.

Reason for Policy/Purpose

This policy is required to meet the cost accounting standards required by the federal government as outlined in the Office of Management and Budget Circular A-21, Cost Principles for Educational Institutions. This policy provides guidance on charging administrative and clerical staff to research projects.

Who Needs to Know This Policy

Principal Investigators (PI’s), Co-Investigators (Co-PI’s), Faculty and Staff Responsible for Sponsored Research

Table of Contents	Page #
Policy Statement.....	1
Reason for Policy/Purpose	1
Who Needs to Know This Policy	1
Table of Contents	1
Policy/Procedures	2
Forms	6
Website Addresses for This Policy.....	6
Contacts	6
Definitions	6
Related Information	7

Appendices	7
Who Approved This Policy.....	7
History/Revision Dates.....	7

Policy

Policy Summary / Overview

In its capacity as the fiscal and administrative agent for Old Dominion University’s sponsored program activities, it is the policy of Old Dominion University Research Foundation to follow specific federal regulations when it receives cost reimbursable grants and contracts from the Federal Government.

OMB Circular A-21 and the Federal Cost Accounting Standards mandate that administrative and clerical costs should normally be treated as *indirect (F&A)** costs and not be charged directly to sponsored agreements. Administrative and clerical costs include the salaries of administrative and clerical staff, office supplies, postage, local telephone costs, and memberships.

Charging administrative and clerical *salary* costs directly to sponsored agreements are permitted only when the nature of the work being performed under a particular project requires an extensive amount of administrative/clerical support which is significantly greater than the routine level of such services provided by academic departments, centers, and institutes. Charging *other administrative and clerical* costs directly to sponsored agreements are permitted only under exceptional circumstances, that is, when a project has a special need for the item or service that is beyond the level of services provided by academic departments. Charging these costs directly to sponsored agreements must be explained and justified in writing to ODURF. ODURF will determine if the direct charging of these costs is appropriate.

This policy applies to all sponsored agreements. However, the costs identified as “normally indirect” may be charged to a non-federal project if permitted by the non-federal sponsor.

Federal Requirements

OMB Circular A-21

Section F.6.b. states: The salaries of administrative and clerical staff should normally be treated as F&A* costs. Direct charging of these costs may be appropriate where a major project or activity explicitly budgets for administrative or clerical services and individuals involved can be specifically identified with the project or activity. “Major project” is defined as a project that requires an extensive amount of administrative or clerical support, which is significantly greater than the routine level of such services provided by academic departments. Items such as office supplies, postage, local telephone costs, and memberships shall normally be treated as F&A costs.

Cost Accounting Standards

Cost Accounting Standard (CAS) 502, which was incorporated into OMB Circular A-21 in May 1996, requires that all costs incurred for the same purpose, in like circumstances, be treated consistently as either direct costs or indirect costs.

Consistent Treatment of Costs

* “F&A” is the Circular A-21 abbreviation for “Facilities and Administrative” costs. F&A costs are also called “Indirect Costs” or “Overhead” and the terms are used interchangeably.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

Consistent treatment of costs is a basic cost accounting principle and is specifically required by Circular A-21 to assure that the same types of costs are not charged to Federally sponsored agreements both as a direct costs and as indirect costs. This concept is reinforced and emphasized in CAS 502.

Consistency in this context means that costs incurred for the same purpose, in like circumstances, must be treated uniformly as either direct costs or as indirect costs. Thus, since certain types of costs, such as the salaries of administrative and clerical staff, office supplies, and postage, are normally treated as indirect costs, the same types of costs cannot be charged directly to sponsored agreements, unless the circumstances related to a particular project are clearly different from the normal operations of the institution. For example, although postage is normally treated as an indirect cost, a particular project may have a special need for postage because of the mailing of hundreds of survey questionnaires. In this case, it would be appropriate to charge the project directly for the postage to mail the questionnaires, since this would constitute "unlike circumstances" compared to routine postage requirements. Situations constituting "unlike circumstances" must be clearly documented in the sponsored agreement proposal and the cost specified in the proposal budget.

POLICY STATEMENT

In compliance with the Federal regulations, ODU/ODURF will treat administrative and clerical salaries as indirect costs, except where the nature of the work being performed under a particular project requires an extensive amount of administrative or clerical support which is significantly greater than the routine level of such services provided by academic departments, centers, and institutes, and these costs meet the requirements of Section 4.1 of this document. Administrative supplies and expenses, such as office supplies and postage, will also be treated as indirect costs, except where a project has a special need for the item or service that is beyond the level of services provided by academic departments and these costs meet the requirements of Section 4.2 of this document.

Applicability

This policy statement applies to all sponsored agreements, Federal (including Federal flow through projects) and non-federal. However, the costs identified as "normally indirect" may be directly charged to a non-federal project if permitted by the sponsor's policy or otherwise approved by the sponsor.

Effective Dates

This policy statement is effective for all new proposals submitted to sponsors after March 31, 2007. The policy statement will apply to the next budget period effective after March 31, 2007 for all existing projects.

Procedures

The need to charge administrative and clerical costs directly to sponsored agreements must be explained and justified in writing to ODURF.

Administrative and clerical salaries and wages, supplies, and expenses may only be included in proposals under exceptional circumstances. The costs must be explicitly identified in the proposal budget and written justification must be submitted with the proposal. ODURF will make the final determination as to when administrative and clerical salaries and wages, supplies, and expenses may be included in a proposal based upon the written justification provided by the Principal Investigator (PI). For NIH Modular Grants the written justification must be submitted to ODURF for approval but not included in the application submitted to NIH.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

Departmental administrators and principal investigators are responsible for monitoring projects on an on-going basis to ensure consistency in charging of administrative and clerical salaries and wages, supplies, and expenses.

The administrative or clerical salaries and wages, supplies, and expenses of the offices of the college deans must be treated as indirect costs and will not be charged directly to a sponsored project.

ADMINISTRATIVE AND CLERICAL SALARIES

OMB's Interpretation

OMB has issued the following interpretation to clarify the circumstances where administrative and clerical salaries may be charged directly to sponsored agreements. (The substance of the OMB interpretation has been formally incorporated into Section F.6.b. and Exhibit C of Circular A-21.)

This provision is intended to establish the principle that the salaries of administrative and clerical staff should usually be treated as indirect costs but that direct charging of these costs may be appropriate where the nature of the work performed under a particular project requires an extensive amount of administrative or clerical support which is significantly greater than the routine level of such services provided by academic departments.

The costs would need to meet the general criteria for direct charging in Section D.1. -- i.e., "be identified specifically with a particular sponsored project... relatively easily with a high degree of accuracy," and the special circumstances requiring direct charging of the services would need to be justified to the satisfaction of the awarding agency in the grant application or contract proposal.

The following examples are illustrative of circumstances where direct charging of administrative or clerical salaries may be appropriate.

- *Large, complex programs, such as General Clinical Research Centers, Primate Centers, Program Projects, environmental research centers, engineering research centers, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions.*
- *Projects which involve extensive data accumulation, analysis and entry, surveying, tabulation, cataloging, searching literature, and reporting, such as epidemiological studies, clinical trials, and retrospective clinical records studies.*
- *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, books and monographs (excluding routine progress and technical reports).*
- *Projects that are geographically inaccessible to normal departmental administrative services, such as seagoing research vessels, radio astronomy projects, and other research field sites that are remote from the campus.*
- *Individual projects requiring project-specific database management; individualized graphics or manuscript preparation; human or animal protocol, IRB preparations and/or other project-specific regulatory protocols; and multiple project-related investigator coordination and communications.*

These examples are not exhaustive nor are they intended to imply that direct charging of administrative or clerical salaries would always be appropriate for the situations illustrated in the examples.

Requirements for Direct Charging Administrative and Clerical Salaries and Wages

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

Administrative or clerical salaries and wages within academic departments, centers and institutes may only be charged directly to sponsored agreements if ODURF determines that they meet ALL of the following conditions:

1. They fall within the special circumstances described in the OMB interpretation.
2. The individuals have responsibilities specifically related to the work of the project and the effort devoted to the project is documented through appropriate salary/wage distribution records.
3. The title(s), percent of effort, and salary or wages amount(s) for the clerical/administrative positions(s) are included in the proposed budget of the sponsored agreement, and the special circumstances requiring direct charging of the services are justified in the proposal.
4. The sponsoring agency accepts the cost as a part of the project's direct cost budget (i.e., does not specifically disapprove the cost in the award of other notification to the university). For programs that do not require submission of a project budget to the sponsoring agency (such as NIH modular grants), the cost must be justified and be approved by ODURF.

If the administrative or clerical salaries or wages meet the conditions in 1. and 2. above, but were not included in the approved budget of the sponsored agreement, the salaries or wages may be charged directly to the agreement only where the ODU/ODURF has rebudgeting authority under Federal regulations or the terms of the sponsored agreement, and the charge is justified and approved by ODURF. The justification must be in writing and provide the same information that would have been provided to the sponsoring agency in the proposed project budget, and must explain why the salaries and wages were not in the original budget. Approval of these requests will be given where ODURF is satisfied that the sponsoring agency would have approved the costs had they been in the original budget. These same conditions apply to NIH Modular Grants as well.

ADMINISTRATIVE SUPPLIES AND EXPENSES

The supplies and expenses listed below shall normally be treated as indirect costs and shall not be charged directly to sponsored agreements except under exceptional circumstances:

- Postage (including express mail, UPS, shipping, etc.)
- Local Telephone
- Office Supplies
- Memberships

The following examples illustrate exceptional circumstances where direct charges to sponsored agreements may be appropriate.

- Professor A has a grant which requires a large mail survey. He charges the grant directly for the cost of postage and paper related to the survey.
- Professor B charges the cost of a dedicated local telephone line directly to his/her grant. The local phone line was acquired to be used specifically to conduct a telephone survey as required by the grant.

When exceptional circumstances exist and ODURF determines that ALL the conditions listed below are met, these costs may be charged directly to a Federally sponsored agreement:

1. The project has a special need for the item or service that is beyond the level of services normally provided by departments, centers, or institutes.
2. The cost can be specifically identified to the work conducted under the project and is appropriately documented.
3. The cost is specified in the proposed budget of the sponsored agreement, and the special circumstances requiring direct charging are justified in the proposal.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

4. The sponsoring agency accepts the cost as part of the project's direct cost budget (i.e., does not specifically disapprove the cost in the award or other notification to the university). For programs that do not require submission of a project budget to the sponsoring agency (such as NIH modular grants), the cost must be justified and be approved by ODURF.

If the cost meets the conditions in 1. and 2. above, but was not included in the approved budget of the sponsored agreement, the cost may be charged directly to the agreement only where the ODU/ODURF has rebudgeting authority under Federal regulations or the terms of the sponsored agreement, and the charge is justified and approved by ODURF. The justification must be in writing and provide the same information that would have been provided to the sponsoring agency in the proposed project budget, and must explain why the cost was not in the original budget. Approval of these requests will be given where ODURF is satisfied that the sponsoring agency would have approved the costs had they been in the original budget. These same conditions apply to NIH Modular Grants as well.

REFERENCES

1. Office of Management and Budget (OMB) Circular A-21, Cost Principles for Educational Institutions. Revised August 8, 2000.
2. Office of Management and Budget (OMB) interpretation of OMB Circular A-21, Section F.6.b Memorandum from Norwood Jackson, Chief, Financial Standards and Reporting Branch, dated July 13, 1994.

Forms

N/A

Website Addresses for This Policy

<http://www.researchfoundation@odu.edu>

Contacts

For more information on this policy, please contact Julian F. Facenda, ODURF Director of Finance at 757-683-4293 Ext. 602.

Definitions

Direct Costs

Direct costs are those costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be assigned to such activities relatively easily with a high degree of accuracy.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

Facilities and Administrative (Indirect) Costs

F&A costs are those that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity.

Related Information

[Circular A-21](#)

[Circular A-110](#)

Appendices

Appendix A- Justification Document to Support Direct Charges of Clerical and Administrative Salaries and Other Costs where Direct Charges are an Exception to the University's Cost Accounting Policies

Who Approved This Policy

Old Dominion University Research Foundation Board of Trustees

History/Revision Dates

Origination Date: March 31, 2007

Effective Date: March 31, 2007

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

APPENDIX A

JUSTIFICATION DOCUMENT TO SUPPORT ALLOWABLE DIRECT CHARGES OF CLERICAL AND ADMINISTRATIVE SALARIES AND OTHER COSTS WHERE DIRECT CHARGES ARE AN EXCEPTION TO THE UNIVERSITY'S COST ACCOUNTING POLICIES

In order to comply with Office of Management and Budget (OMB) Circular A-21 and Cost Accounting Standards (CAS), the Research Foundation has established a policy for charging certain costs to sponsored projects. Unless direct charging can be justified in accordance with OMB Circular A-21, clerical and administrative salaries and office supplies, postage, local telephone services, and memberships will be treated as indirect costs.

Exceptions to ODURF's policy regarding direct charging of administrative costs will be permitted only under the following circumstances. One or the other exception--or both in some cases---must apply. Fulfilling one or both circumstances is necessary but not sufficient to warrant an exception.

- Unusually high levels of administrative activity associated with **large/complex projects such as program projects, cooperative agreements, coordinating centers, multi-center grants, or operations offices**. Only in such cases, eligible responsibilities might include coordination of financial activities for multiple projects, core units, meetings for steering or advisory committees, pilot project programs, special reporting needs, etc.
- Administrative work that is specifically related to **the distinctive scientific and technical requirements of the work of the sponsored project**. Eligible responsibilities might include collecting data, maintaining subject/patient data, conducting phone surveys, scheduling visits, etc.

The following is meant to provide additional guidance.

- **Large complex programs such as general clinical research centers, primate centers, engineering research centers and other federally sponsored projects that entail assembling and managing teams of investigators from a large number of institutions or units.**
- Projects which involve **extensive data accumulation and entry, surveying/interviewing, tabulating, cataloging and reporting** (such as epidemiological studies, clinical trials, and retrospective clinical records studies.)
- Projects that require making **substantial travel and meeting arrangements or scheduling large numbers of program participants, patients, or subjects**.
- Projects whose **principal focus is the preparation and production of manuals, media products, and large reports**, excluding routine progress and technical reports.
- Projects that are **geographically inaccessible to normal departmental administrative services**: i.e., conducted on seagoing research vessels or at sites that are remote from campus.
- Individual projects requiring **project-specific database management; individualized graphics or manuscript preparation, human or animal protocol, IRB preparations and/or other project specific regulatory protocols; and multiple project-related investigator coordination and communications**.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

In order to request an exception, please complete the following PRIOR TO MAKING ANY COMMITMENTS.

Proposal Title:

Please attach job description from the proposal's Budget Justification section to this Authorization.

A. CLERICAL AND ADMINISTRATIVE SALARIES

Describe (below or in an attachment) how the clerical and administrative salaries are specific to this project and constitute an exceptional circumstance and attach a budget justification (from the proposal).

B. OTHER DIRECT COSTS

Describe (below or in an attachment) how the administrative expenses (**office supplies, local telephone, postage, memberships**) are specific to this project and constitute an exceptional circumstance.

Important: These exceptions, even though explained in a grant/contract proposal's Budget Justification section, may not be supported in an audit. **Clear evidence of the job responsibilities (for the employee/title listed in Section A above) must be in the person's position description. By signing below, the Principal Investigator, Department Chair, and Dean/Director assert that the facts as stated are true, and agree to ensure that full compliance in this matter is both achieved and maintained.** Payback of funds in case of an audit disallowance will be the responsibility of the Principal Investigator's College.

E. Signatures:

Agreed: _____ Date: _____
Principal Investigator

Agreed: _____ Date: _____
Department Chair

Agreed: _____ Date: _____
Dean/Director of the College

Approved: _____ Date: _____
ODURF Executive Director

* "F&A" is the Circular A-21 abbreviation for "Facilities and Administrative" costs. F&A costs are also called "Indirect Costs" or "Overhead" and the terms are used interchangeably.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

ADDENDUM TO OLD DOMINION UNIVERSITY POLICY ON “CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH”: CLARIFYING EXAMPLES

The federal government expects that administrative and clerical support and routine office supplies, postage, local phone service, and professional memberships will normally be covered by the indirect cost (Facility and Administrative costs, or F&A) portion of a grant or contract or by other ODU/ODURF funds. This document is a supplement to ODURF’s policy on Consistency in Charging Administrative and Clerical Costs Associated with Research for the latest version of that policy) and is intended to assist investigators in knowing when to request the direct charging of administrative/clerical support and of administrative items such as postage, phones, and office supplies.

I. Administrative and Clerical Salaries

To charge administrative and clerical salaries directly to a federal sponsored project agreement, the costs (1) must be identified to and must benefit the project, (2) must be shown explicitly and justified in the budget, (3) must be approved by the ODURF Finance Office after submission of the request form included in the University Policy, and (4) must not be disapproved by the sponsor.

General Guidance

- According to Office of Management and Budget Circular A-21, direct charging of administrative and clerical staff may be appropriate only where a “major project or activity explicitly budgets for administrative or clerical activities and individuals involved can be specifically identified with the project or activity with a high degree of accuracy” *and* where a project requires “an extensive amount of administrative or clerical support, which is significantly greater than the routine level of such services provided by academic departments.”
- A major project is generally meant to refer to a specific award rather than to a center or institute (which may have considerable research activity but in the form of multiple awards).
- When data collection and/or analysis require specialized research staff with technical skills (e.g., a research assistant with training in the field of study, field interviewer, technical writer, graphic artist, statistical analyst), these research staff—as opposed to administrative or clerical staff—can and should be charged as direct costs.
- However, administrative/clerical staff who perform the following sorts of duties, and who therefore provide routine support of the kind that all sponsored projects require, generally should not be charged as direct costs: routine telephone answering; typing of manuscripts, technical reports, correspondence, and the like; processing of personnel, travel, payment, and other sorts of forms as part of routine administrative work; accounting and review of budget reports; filing; routine data entry or database maintenance.
- Even if a project is defined as a major project and certain administrative costs can be direct charged to the award, this does not necessarily mean all administrative/clerical costs can be direct charged. A routine level of administrative support is assumed to be included in the F&A or indirect cost charge.
- The sorts of administrative/clerical costs that can be direct charged to a grant or contract are usually specialized services required by the special nature of an award’s activities. However, a very large project with extraordinary administrative expenses, expenses of a sort different than those listed below, that clearly exceed those that can be provided by a reasonably staffed department may qualify as a major project. In these circumstances, one would need to

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

determine what portion of the total administrative load exceeds the routine levels of departmental administrative support assumed to be covered by indirect costs. Only the excess support should be charged as a direct cost, unless the routine support is minimal.

- Understaffing of a department is not grounds for charging as direct costs routine administrative and clerical help that the federal government expects will be treated as indirect costs. The PI can seek additional administrative staffing for the department, but otherwise must distribute the administrative work that needs to be done among available staff.
- It would normally not be permissible for a research center with 20 grants to charge 5% of a grant administrator's time to each of the 10 grants because the administrator supports all the grants to some difficult-to-quantify degree. Generally, the smaller the percentage time of an administrative/clerical staff member assigned to an award, the more questionable the direct charging of the salary is.
- Most NIH R01 grants of up to \$2 million are not large and complex enough to qualify as major projects. Likewise, merely having a cluster of related grants would not ordinarily qualify the group for direct-charging of administrative or clerical support.
- These restrictions apply to federal awards. Direct charging of administrative and clerical costs and other costs discussed below (postage, phones, office supplies, etc.) to nonfederal awards *may* be permissible under a wider range of circumstances, depending on the sponsor's policies. Many nonfederal sponsors provide lower F & A than the federal rate. In addition, direct charging of administrative and clerical costs to federal awards may be permissible in certain special circumstances, for example where a reduced F&A rate has been negotiated for an activity with the expectation that administrative and clerical costs would be direct charged.
- Any direct-charged administrative or clerical support must be shown clearly in the budget, with a justification, and then must not be disapproved by the sponsor. However, past or anticipated sponsor approval is not sufficient if the expenditure is determined by ODURF not to be in accordance with the ODU/ODURF policy.

Examples

In boldface below is material from "Exhibit C" of OMB Circular A-21 describing the circumstances under which it may be permissible to charge administrative and clerical costs directly to a grant or contract. The examples then further clarify the exceptional circumstances under which it is permissible, with ODURF approval, to budget and charge such expenses as direct costs on federal awards, provided that it also meets the other requirements and approvals.

1. **Large, complex programs, such as General Clinical Research Centers, Primate Centers, Program Projects, environmental research centers, engineering research centers, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions.**

This category generally consists of large awards that fund centers, which then carry out a complex set of activities and require an administrative staff to manage the work. Permissible examples might include:

- A professor's \$4 million grant involves intensive, ongoing coordination of the activities of several researchers at five universities. A full-time executive associate and a half-time secretary are needed to perform this coordination function and manage the five subcontracts.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

- A large federal research center grant involves making awards to many faculty from multiple schools in ODU/ODURF and managing these awards. A department administrative assistant is placed 50% time on the project to perform the coordinating functions required to administer the center, but the department C fund pays the time he/she spends on normal administrative efforts for the Department, such as completing payroll, travel, and payment forms, including those for this Center.

2. Projects which involve extensive data accumulation, analysis and entry, surveying, tabulation, cataloging, searching literature, and reporting, such as epidemiological studies, clinical trials, and retrospective clinical records studies.

Permissible examples of this type of “major project” might include:

- A project involves collecting complex financial data from hundreds of banks across the country and requires a clerical staff person 50% time to receive incoming data, clean it, and enter it.
- A large, multi-site clinical project involves providing substantial patient care, billing for the care, and collecting patient care data. A full-time executive associate is needed to manage billing and patient data management.
- A clearinghouse is responsible for collecting and entering all of the literature relevant to school reform efforts in a database so that it is accessible and needs multiple data enterers to do so. Three full-time secretaries are necessary to serve as data enterers and editors.
- A secretary is needed to schedule interviews with 300 unemployed adults and then to transcribe the interviews. The secretary’s time devoted to these tasks could be properly chargeable to a federal award.

3. Projects that require making travel and meeting arrangements for a large number of participants, such as conferences and seminars.

Permissible examples of this type of “major project” might include:

- A contract involves organizing and holding a series of conferences for government personnel in various parts of the world; an administrative staff member is needed to handle the logistics of the conferences.
- A grant involves bringing groups of 20 high school teachers to campus during the summer for eight workshops on innovations in teaching and their travel and lodging must be arranged and reimbursed by an administrative staff person.

4. Projects whose principal focus is the preparation of manuals and large reports, books and monographs (excluding routine progress and technical reports).

Permissible examples of this type of “major project” might include:

- A clearinghouse grant involves preparation of monthly research-into-practice newsletters distributed to practitioners; for this purpose a manuscript typist is required, and that typist’s time devoted to these tasks could be properly chargeable to the grant.
- A project’s main objective is to construct and maintain a web site that publishes literary contributions from authors from around the world. The project needs a web site manager to deal with authors and editorial board members, post works, supply keyword descriptions, and otherwise manage the web site. The web site manager’s time devoted to these tasks could be properly chargeable to the grant

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

5. **Projects that are geographically inaccessible to normal departmental administrative services, such as seagoing research vessels, radio astronomy projects, and other research field sites that are remote from campus.**

Permissible examples of this type of “major project” might include:

- A project involves providing health care training and consultation in a developing country. Part of the research staff must be based in the developing country, and this staff requires administrative/clerical support in order to function.

NOTE: For the University, a project located within the Norfolk, VA metropolitan area probably does not qualify under this exception.

6. **Individual projects requiring project-specific database management; individualized graphics or manuscript preparation; human or animal protocol; IRB preparations and/or other project-specific regulatory protocols; and multiple project-related investigator coordination and communications.**

Permissible examples of this type of “major project” might include:

- A large clinical research project requires the management of human subjects approval forms and consent forms from 20 some hospitals nationally and needs a staff person who specializes in handling IRB issues. That staff person’s time devoted to these tasks could be properly chargeable to the grant.

Note: Simply doing research involving human or animal subjects is NOT sufficient by itself, as the activity associated with human subjects or animal protection is often manageable by research staff. Such activity must be administratively intensive in order for administrative costs to be charged directly to the project.

II. Administrative Supplies and Expenses

General Guidance

Postage (including express mail, UPS, shipping), local telephone, office supplies, and memberships normally should *not* be charged directly to federal agreements. Some of such expenses may be direct-charged when all of these exceptional conditions are met:

1. The project has a special need for these items that exceeds the level of support normally provided by departments, centers, or institutes.
2. The cost is specifically identified with the work to be conducted and is appropriately documented.
3. The cost is specified in the proposed budget and is justified (or in the case of NIH modular grants is justified to ODURF).
4. The sponsor accepts the cost (i.e., does not disapprove it).

When items in these categories are required for specific technical purposes, the project does not have to be a “major project” as defined above for personnel costs in order for costs of supplies and office expenses to be charged as direct costs. However, when direct-charging of administrative and clerical salaries is appropriate because the project is a major project with exceptional circumstances, budgeting of office supplies, postage, etc. associated with those administrative costs *may* also be appropriate.

CONSISTENCY IN CHARGING ADMINISTRATIVE AND CLERICAL COSTS ASSOCIATED WITH RESEARCH

Examples

- Projects requiring frequent and voluminous mailings (e.g., of research dissemination reports), especially to foreign locations, may qualify to charge postage for those mailings.
- A project involving a large mail survey may be allowed to direct charge the postage for the survey, as well as the costs of envelopes, paper, and reproduction of the survey (but not mailing and copying costs as they pertain to other aspects of the project's activity besides the survey itself).
- Costs for shipping large numbers of laboratory samples to a laboratory or to a collaborator for analysis may be appropriately charged.
- A modem purchased and used solely to collect research data from around the country 24 hours a day can be direct charged.
- A project that involves telephone survey research can direct charge extra phone lines added for that purpose for the duration of the survey (but the phone lines must be dedicated to phone interviewing rather than used as general-purpose phones).
- Pagers or cellular phones may be appropriate for staff members whose primary role is to travel to gather data, conduct interviews, or the like, and who must remain in contact with the project office. This would NOT be appropriate if the phone were used in conjunction with multiple projects rather than dedicated to one and the costs could not be separated award by award.
- It is not appropriate to charge a grant using an on-campus F&A rate for a phone line for a new member of the research staff; the department must cover that expense. For off-campus grants, direct charges for phone lines for staff may be appropriate, if that staff person's time is also an appropriate direct charge.
- Memberships may be charged directly only if membership is required by an agreement, as when a training grant requires professional membership as part of the trainees' professional development.