

OMB Circulars Update
The Uniform Guidance Summary

In an effort to streamline the administration of federal awards, the federal government has implemented the Uniform Guidance, effective December 26, 2014. This affects all new awards and new funding for existing awards. The below is to help guide you in proposal budget preparation. Always review the guidelines and reference the agency regulations as well as the Uniform Guidance for more detail.

http://www.ecfr.gov/cgi-bin/text-idx?SID=77f03ceffb14999c0371917d8102d2&node=pt2.1.200&rgn=div5#se2.1.200_175

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

Subpart C –Pre-Award Requirements (starting at 200.200)

Subpart D –Post Federal Award Requirements (starting at 200.300)

Subpart E –Cost Principles (starting at 200.400)

Allowable Costs

Allowable costs: An allowable cost must still be necessary, allocable, allowable and consistent. The cost principles have not changed.

NEW: Some types of costs must be detailed in the proposal budget or they will require prior agency approval after award.

Administrative/Clerical Costs 200.413; 200.430

Administrative/clerical costs: These are still generally not direct costs.

NEW:

Administrative/clerical costs: To include these, the costs must meet the criteria found in 200.413 and should be explicitly documented in the budget justification.

All of the following criteria must be met:

- 1) Integral to the project –means essential to meeting project goals and objectives
- 2) Individuals being paid can be specifically identified with the project
- 3) Costs are included in the budget in detail or have prior written approval
- 4) The costs are not also included as indirect costs

The budget justification must specifically identify the individuals/positions and explain how the services are integral to the project. If these costs are not included in the proposal budget justification, prior written approval will be required from the agency after award.

Examples of integral projects: extensive data collection and analysis; large, complex programs involving multiple investigators/institutions; projects requiring travel arrangements for multiple people (e.g. conference grants)

Computing devices 200.453

Computing devices still must be necessary, reasonable, allocable, and consistent in order to include it in the budget.

NEW: Devices less than \$5,000 can be included under supplies. However, it is important to detail the purchase and why it is essential to the project in the budget justification.

Participant Support Costs 200.75, 200.456

The Uniform Guidance defines participant support costs as "direct costs for items such as 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" (CFR 200.75).

Prior approval is still required to move participant support costs into another budget category.

NEW: All participant support costs –as defined above -are not subject to indirect.

NEW: Now prior approval is required to move funds INTO participant support costs. In this case, refer first to the proposal guidelines to see if such costs are even allowed (for example, research grants do not allow participant support costs).

Participant support costs are only relevant on research projects IF the project includes an education or outreach component and it is approved by the agency.

If participant support costs are required, they should be detailed in the budget justification to avoid issues later.

Facilities and Administrative Costs (F&A) 200.68, 200.414

NEW: Subrecipients who do not have a negotiated F&A rate can use 10% of Modified Total Direct Costs. Any institution with a federally negotiated rate is able to use their rate (i.e. another institution cannot tell UTEP to use the 10% rate because we already have a negotiated F&A rate).

NEW: Participant support costs must be excluded from the Modified Total Direct Cost (MTDC) when calculating F&A.

Exception: NIH allows a 8% F&A rate for foreign institutions.

Visa Costs 200.463

H1-B and J-1 visa costs can be charged as a direct cost if the following criteria are met:

- Visa holder will be working specifically on the project for a specified time period
- Obtaining the visa is critical to conducting the project
- Costs are allocable, allowable and consistent with university policy

NEW: Short-term, travel visa costs can be included in proposal budgets. They must still meet the criteria of being allocable and allowable. Travel visas are normally for allowing UTEP employees or students to do field work abroad or attend meetings abroad. For foreign visitors, it allows them to visit UTEP to work on the project.

Cost Sharing

Voluntary cost sharing is prohibited from consideration in the review process. Therefore, any cost share (commitment of faculty or staff to the project at no cost, waiving of F&A) that is not specifically required by the sponsor should be excluded from all sections of the proposal.

Conference costs 200.432

Food (meals and refreshments) are only allowable for meetings whose primary purpose is “the dissemination of technical information beyond the non-federal entity.” The conference must also be necessary and reasonable for successful performance under the award. This means food can only be purchased on a grant for working meetings that include external individuals (i.e. non-UTEP employees).

To avoid issues with grants that have special needs regarding food, such needs should be detailed in the budget justification at proposal stage.

2 CFR 200.308 Revision of Budget and Program Plans

What requires prior approval?

Change in scope or objectives (even if no budget revision)
Change in a key person specified in the application
Absence of more than 3 months or 25% reduction in effort or change of PI
Transfer of funds from participant support costs as defined in §200.75 to other categories of expense
The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with 2 CFR Part 200 Subpart E—Cost Principles
Transfer of a significant part of the research through subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in §200.332 Fixed amount subawards. This provision does not apply to the acquisition of supplies, material, equipment or general support services.
Changes in the approved cost-sharing or matching provided by the non-Federal entity.
The need arises for additional Federal funds to complete the project.

Agency Specific:

[NIH Grants Policy Statement](#)

[NSF 2015 Policy Guide](#)

[Department of Labor Exceptions](#)

[Department of Education Resources](#)

Consult the individual agencies to see if these specific prior approval items are waived:

Incur project costs 90 calendar days before the Federal awarding agency makes the Federal award. Expenses more than 90 calendar days pre-award require prior approval of the Federal awarding agency.

Initiate a one-time extension of the period of performance by up to 12 months unless one or more of the conditions outlined in paragraphs (d)(2)(i) through (iii) of this section apply. For one-time extensions, the recipient must notify the Federal awarding agency in writing with the supporting reasons and revised period of performance at least 10 calendar days before the end of the period of performance specified in the Federal award. This one-time extension may not be exercised merely for the purpose of using unobligated balances.

The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers **exceeds or is expected to exceed 10 percent of the total budget** as last approved by the Federal awarding agency.