

UNDERSTANDING FEDERAL AWARD GUIDELINES AND AWARD BUDGETS

Marjorie Burger
Financial Manager
Carnegie Institution for Science

Nov. 29, 2012

RED TAPE – OMB CIRCULARS

- **Circular A-110 – Administrative Requirements**

- Pre-award requirements
 - Appropriate award instrument
 - Grant or cooperative agreement: public purpose of support
 - Contract: acquisition by gov't of goods or services
- Post-award requirements
 - Financial and program management
 - Cost sharing
 - Program income
 - Budget revisions
 - Allowable costs
- Property
- Procurement
- After-the-award requirements
 - Closeout procedures
- Applies to recipients and subrecipients



- **Circular A-133 - Audits**

- Lays out responsibilities of auditors, auditees, federal agencies and pass-through entities
 - Carnegie is both an auditee and a pass-through entity
- KPMG is Carnegie's external audit firm
 - Financial audit of annual financial statements
 - A-133 single audit of Federal and pass through awards, publicly available at the Federal Audit Clearinghouse,
 - <http://harvester.census.gov/sac/>
- A-133 examines internal controls and 14 compliance points including:
 - Allowable activities and costs
 - Cash management
 - Equipment and real property management
 - Procurement
 - Suspension and debarment
 - Reporting
 - Subrecipient monitoring

• Circular A-122 – Cost Principles

• Allowability of costs

- Reasonable expense for the performance of the award
- Be accorded consistent treatment
 - **Same for Federal, Private and Carnegie funds**; e.g. Fly American
 - Same as similar expenses, direct vs. indirect; e.g. office supplies are always indirect
- Determined in accordance with Generally Accepted Accounting Principles(GAAP)
- Not against the law
- Not a cost on another Federal award or to meet match
- Adequately documented
- Not specifically identified in award document as unallowable



• Reasonable costs

- What would a prudent business person do?
- Ordinary and necessary
- Does not unjustifiably increase award costs

- **Costs are Allocable**

- Specifically incurred/expended for the award
- If it benefits other work, can be distributed in reasonable proportion; e.g. 60% to Grant A and 40% to Grant B
- NO shifting costs to other Federal awards to cover deficits, avoid legal restrictions or award terms

- **Applicable credits**

- Credits that reduce expenditures or increase revenue should be added back to the award
- Include purchase discounts, cash rebates, adjustments for overpayments, program income, e.g, conference registration fees

- **Direct Costs**

- Identified specifically with a particular final cost objective, i.e., award
 - Salaries & Fringe Benefits
 - Travel & Meetings
 - Equipment, Supplies & Materials
 - Consultants, Subawards

- **Indirect Costs**

- Incurred for common or joint objectives
- Cannot be readily or accurately identified with a particular award
 - Administrative support
 - General info systems support
 - Facilities
 - Depreciation or use allowance
- Cannot be reasonably allocated to multiple award: too difficult &/or too expensive to do
- Indirect costs are allocated through the indirect cost rate



An Important Digression

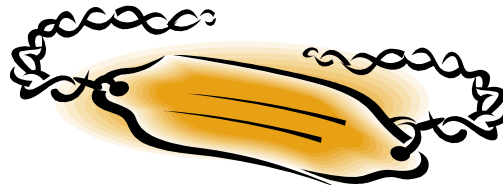
How Carnegie gets its Indirect Cost Rate (ICR or IDC) and why all that account coding is so important!

- **Why have an indirect cost rate?**
 - Some costs of doing business cannot be readily allocated to any one or group of projects with accuracy.
 - Used to recover both the Department's indirect costs and a portion of HQ administrative costs
- **How do we determine the indirect cost rate?**

Expenses grouped as follows by department & for HQ:

- A) Direct Federal expenses
- B) Direct non-Federal expenses
- C) Indirect expenses
- D) Direct, unallowable expenses, e.g., fundraising, excess per diem, Bush retreats
- E) Excludable expenses, e.g., fellow and participant costs, equipment costing \$5K or more, portion of subaward expense > \$25K
- **Modified Total Direct Cost (MTDC) = A + B + D**

- **Account coding makes this task manageable**
 - **Funder codes** identify Federal (1XXX), pass through (2XXX), private (3XXX) and endowment (9XXX) funders
 - **Personnel codes** identify excludable fellow (03) and participant (04) expenses
 - **Activity codes** used with endowment funds identify direct scientific expenses (0500) and indirect, general scientific support (0105)
 - **Subaward codes** let us keep track of the \$25K threshold



The Calculation

$$\text{ICR} = (\text{Dept. Indirect Costs} + \text{HQ Allocated IC}) / \text{Modified Total Direct Costs}$$

- 2,700,000 Department Indirect Costs
- 4,200,000 Department Modified Total Direct Costs
- 7.5% HQ Allocation Rate

$$(2,700,000 + .075(2,700,000 + 4,200,000)) / 4,200,000 =$$

$$(2,700,000 + 517,500) / 4,200,000 = \underline{\underline{76.61\%}}$$

- ICR for each department and for awards at HQ are calculated annually
- Calculations and all supporting documentation sent to National Business Center (NBC), Department of the Interior
- NCB negotiates final rate with Carnegie on behalf of our cognizant agency, NSF
- **IF final rate < department IC rate in use**
 - **Federal agencies can request reimbursement.**
 - **Difference is added back to open awards for future use.**

A red, distressed-style stamp with the word "FINAL" in bold, uppercase letters, tilted slightly to the right. The stamp has a white border and a textured, ink-like appearance.

- **Final rate for FY12 = Maximum Provisional rate for FY14**
 - Awards must be adjusted for lower rates, including provisional rates.
- Most Carnegie departments voluntarily use lower rates than the Maximum Provisional rates.
- Department rate in use is determined by Director, President, and key financial personnel at HQ.

Back to Circular A-122

- **Attachment B – Selected items of cost**

Provides information on the allowability of specific costs such as:

- **Advertising** – ads to recruit are allowable, cost of promotional items are not
- **Alcoholic beverages** – unallowable
- **Compensation to employees** – allowable if reasonable
- **Contributions/donations**, regardless of recipient – unallowable
- **Entertainment** – unallowable; a recent submission to NSF listing “dinner reception” was denied, “meal” was okay



- **Fundraising to obtain contributions** – unallowable
- **Lobbying** - unallowable, but providing a technical presentation or being called to testify before Congress is not lobbying
- **Membership in technical and professional organizations** – allowable, but social or country club dues are not allowable
- **Repairs and maintenance** – allowable
- **Travel and lodging** – allowable within guidelines
- Any many more . . .

RED TAPE – AGENCY POLICIES



- National Science Foundation (NSF)
 - Carnegie's cognizant agency
 - Single agency represents all other government agencies in dealing with grantee in common areas
 - Cognizant agency is the one that provides the most funding
 - Reviews and approves indirect cost rates
 - **Important reference for proposal preparation and grants management is the NSF Proposal and Award Policies and Procedures Guide:**
http://www.nsf.gov/pubs/policydocs/pappguide/nsf11001/nsf11_1.pdf
- NASA
 - **Important reference for proposal preparation and grants management is the NASA Guidebook for Proposers**
 - <http://www.hq.nasa.gov/office/procurement/nraguidebook/proposer2012.pdf>

- NIH Guide for Grants and Contracts

<http://grants.nih.gov/grants/oer>

- Carnegie also receives funding from DOE, USDA, NOAA, USAF, ONR, ED
 - Check their websites for specific guidance on proposal preparation and grants management
- Dozens of organizations pass-through federal funds to Carnegie; they pass along the prime funders requirements

~~Red Tape~~ *Directions & Guidance* – Carnegie Policies & Procedures

- **Carnegie Policies and Procedures**

- Apply to all funds – Federal, pass through, private and endowment, i.e., the principal of consistent treatment
- Our policies are consistent with the OMB Circulars, NSF policies and GAAP
- Carnegie policies and procedures are on our website at:

http://carnegiescience.edu/employment/policies_practices_and_benefits

Important reading for those working with grants include, but are not limited to, the following sections:

- Grants and Awards
- Procurement
- Research Policies
- Travel



“UNDER THE MICROSCOPE”

- FFATA – Federal Funding Accountability and Transparency Act of 2006
 - Ensures that the public can access information on all entities and organizations receiving Federal funds
 - www.USASpending.gov is a searchable database of all Federal grants and contracts over \$25K
 - www.FSRS.gov is the Federal Subaward Reporting System which collects data on executive compensation and first-tier subawards
- American Recovery and Reinvestment Act of 2009:
 - Detailed information on award spending, number of payments to vendors, number of payments to subawardees, project status report, and more
 - <http://www.recovery.gov>
- **Real possibility of ARRA-like reporting in our future for all Federal Awards**

AWARD BUDGET

- **Before you start**

- Determine if this will be an award or a contract
 - Contract procures specific services or products for Government use
 - *Quid pro quo* relationship
 - Additional “red tape” required so talk to the appropriate person in your business office
- Review the sponsoring agency guidelines and forms
 - Budget categories and terminology may differ from Carnegie’s
 - For example, NSF “participant” includes Carnegie’s fellows and participants
- Determine start and end dates

- Identify budgetary specifications, limits on equipment, overall budget ceiling
- Identify amount or % limitations on indirect costs
- Determine if there are mandatory cost share or matching requirements
- Identify all required forms, schedules and supplemental materials

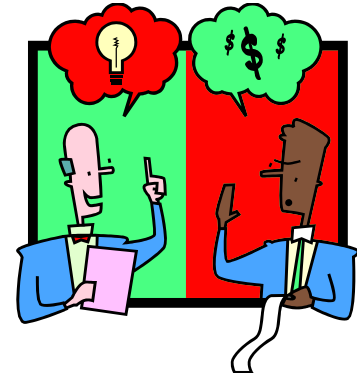
Important facts:

All forms, schedules and supplemental materials need to be submitted to the agency as one package.

Even if the agency, e.g., NIH, does not require a detailed budget you will need a detailed one for budget entry into Carnegie's financial software, NAV.

Even if not required, preparing a budget for private awards is strongly recommended to ensure you get the resources needed to accomplish your objectives.

BUDGET JUSTIFICATION OR WHY SHOULD THEY GIVE YOU \$150,000



Most proposal budgets require a written Budget Justification

- Highlight, explain and provide DETAILED justification for each budget category entry
- Explain calculation of all cost estimates
- Check funding announcement for budget justification requirements

- If form or format is not provided, follow the format of the budget document
- Funding agency may ask for additional data during review or award process
 - These requests will slow down processing so include as much info as possible with the initial submission!



SUMMARY PROPOSAL BUDGET

FOR NSF USE ONLY

ORGANIZATION				PROPOSAL NO.		DURATION (MONTHS)	
PRINCIPAL INVESTIGATOR/PROJECT DIRECTOR				AWARD NO.		Proposed	Granted
						NSF-Funded Person-months	
A. SENIOR PERSONNEL: PI/PD, Co-PIs, Faculty and Other Senior Associates List each separately with name and title. (A.7. Show number in brackets)				CAL	ACAD	SUMR	
1.							\$
2.							
3.							
4.							
5.							
6. () OTHERS (LIST INDIVIDUALLY ON BUDGET EXPLANATION PAGE)							
7. () TOTAL SENIOR PERSONNEL (1-6)							
B. OTHER PERSONNEL (SHOW NUMBERS IN BRACKETS)							
1. () POSTDOCTORAL ASSOCIATES							
2. () OTHER PROFESSIONALS (TECHNICIAN, PROGRAMMER, ETC.)							
3. () GRADUATE STUDENTS							
4. () UNDERGRADUATE STUDENTS							
5. () SECRETARIAL - CLERICAL (IF CHARGED DIRECTLY)							
6. () OTHER							
TOTAL SALARIES AND WAGES (A + B)							
C. FRINGE BENEFITS (IF CHARGED AS DIRECT COSTS)							
TOTAL SALARIES, WAGES AND FRINGE BENEFITS (A + B + C)							
D. EQUIPMENT (LIST ITEM AND DOLLAR AMOUNT FOR EACH ITEM EXCEEDING \$5,000.)							
TOTAL EQUIPMENT							
E. TRAVEL							
1. DOMESTIC (INCL. CANADA, MEXICO AND U.S. POSSESSIONS)							
2. FOREIGN							

F. PARTICIPANT SUPPORT				
1. STIPENDS	\$ _____			
2. TRAVEL	_____			
3. SUBSISTENCE	_____			
4. OTHER	_____			
TOTAL NUMBER OF PARTICIPANTS ()		TOTAL PARTICIPANT COSTS		
G. OTHER DIRECT COSTS				
1. MATERIALS AND SUPPLIES				
2. PUBLICATION/DOCUMENTATION/DISSEMINATION				
3. CONSULTANT SERVICES				
4. COMPUTER SERVICES				
5. SUBAWARDS				
6. OTHER				
TOTAL OTHER DIRECT COSTS				
H. TOTAL DIRECT COSTS (A THROUGH G)				
I. INDIRECT COSTS (F&A) (SPECIFY RATE AND BASE)				
TOTAL INDIRECT COSTS (F&A)				
J. TOTAL DIRECT AND INDIRECT COSTS (H + I)				
K. RESIDUAL FUNDS (IF FOR FURTHER SUPPORT OF CURRENT PROJECT SEE GPG II.D.7.j.)				
L. AMOUNT OF THIS REQUEST (J) OR (J MINUS K)		\$		\$
M. COST SHARING: PROPOSED LEVEL \$		AGREED LEVEL IF DIFFERENT: \$		
PI/PD TYPED NAME AND SIGNATURE*		DATE	FOR NSF USE ONLY	
ORG. REP. TYPED NAME & SIGNATURE*		DATE	INDIRECT COST RATE VERIFICATION	
			Date Checked	Date of Rate Sheet
				Initials-ORG

BUDGET LINES – NSF

(BUT A GOOD FORMAT FOR ANY PROPOSAL BUDGET)

- **Budgeting personnel**

- By category – Senior (Principal Investigator and Investigators) and Other (employees: post docs, other professionals, etc.)
- List senior/key personnel even if not funded by award
- Enter counts for other categories but list names on budget justification
- Enter person-months based on % effort
 - 1 person, 50% effort for 9 months = 4.5 person months
 - 3 people, 50% effort for 6 months each = 9 person-months

- Enter funds requested
 - Based on gross salary and effort based on person-months
 - \$100,000 annual / 12 months X 4.5 person-months = \$37,500
 - \$60,000 annual /12 months X 3 people X 3 person-months = \$45,000
- On Carnegie's Grant Budget Versus Actual (GBVA) reports these amounts will be divided between salary and allocated leave using the departmental leave rate, e.g., 17.5%
 - \$31,915 & 5,585
 - \$38,298 & 6,702
 - Amounts are recombined for reporting to funder
 - Separate line items on GBVA report for different salary categories for both salaries and allocated leave, e.g., Scientific, Technical

- **Fringe benefits**

- Health care, employer taxes, workers compensation, unemployment insurance, life insurance, retirement contributions

- Institution-wide allocation rate = 29%

- (direct salary + allocated leave) X 29% = allocated fringes
 - $(\$31,915 + \$5,585) \times 29\% = \$10,875$

- Allocated fringes, all salary categories combined, appear on their own line in the GBVA report

- **Budget justification for personnel costs**

- List employees by salary category and name, if possible
- Show all calculations

Example

Senior Personnel

Dr. Researcher requests support to cover 4.5 months salary in the first and second year and 3 months in the third year with a 3% increase included in the second and third year for inflation. Dr. Researcher is a research scientist at the Department of ZZZ and her status is not attached to a permanent 9-month salary.

Fringe Benefits

Salaries are based on a full calendar year and include all leave taken. A fringe benefit rate of 29% has been established and is applied to regular, full-time employees that include post-doctoral associates. The expense pool includes normal costs associated with employment such as FICA, Medicare, disability insurance, health insurance, retirement and other required taxes and benefits. The requested amount for fringe benefits is \$xxxx.

[CHECK WITH YOU BUSINESS OFFICE FOR STANDARD LANGUAGE USED ON JUSTIFICATIONS](#)

• Capital Equipment

- Non-expendable, tangible property with useful life > 1 year

- Acquisition cost is \$5,000 or more per item

- Includes shipping and setup costs



- An item consists of all components that are needed to make it operational

- Component A costs \$3,000 and Component B costs \$2,500
 - Need A & B for functionality? Capital Equipment
 - A or B can be used alone? Supplies

- Include equipment that is fabricated in-house if cost >\$5,000
- **Budget justification**
 - Describe each piece of equipment
 - Importance of equipment to the research
 - Cost estimate based on catalog, web site, vendor quote or specifications if fabricated in-house.
 - Include copies of pricing, quotes or sole source justification

Example

Equipment

Widget M245-P	\$50,000
Shipping	750
Installation	1,350
Total	52,100

This instrument measures NaCl. It offers the combination of high accuracy, rapid measurement capability, small size, energy efficiency, and low cost. McM is the only manufacturer making this instrument.

• Travel

- Domestic (U.S., Mexico, Canada and U.S. Possessions) and Foreign budgeted separately
 - If foreign travel is not budgeted you may need agency approval later
 - Other agencies may define “domestic” differently
- Use per diem rates for meals and incidentals
- Estimate lodging using per diem rates
 - Charged to award based on the lower of actual or per diem
- Lowest coach fare and Fly America Act
 - Upgrade for extra legroom in coach is not allowed



- Auto rental, mileage reimbursement, tolls, parking, taxi should all be considered when budgeting
- Conference registration
- **Budget justification**
 - purpose of travel
 - individuals traveling and/or headcount
 - when and where
 - air fare, per diem, and other associated costs for each trip planned

Example

Travel

Funds are requested for participation in XYZ Spring meeting in 2013 and Fieldville in 2014. Estimate of conference fees is based on historical data from previous participation and as presented in meetings' 1st announcements. Airfare rates represent the avg. cost of flights from travel estimating search engines. Per diem costs were obtained from <http://www.gsa.gov> and are avg. costs for PQ State, while for the International meeting we presume locations in Western Europe.

National Meetings

	Airfare	Lodging/per diem	Auto Rental	Misc (Conference Fee, Ground Transport)	Total Cost
Base Rate	500	190	0	400	
# of Days		5			
Total	500	950	0	400	1850
Depart from	Washington DC to continental USA destination				

International Meetings

	Airfare	Lodging/per diem	Auto Rental	Misc (Conference Fee, Ground Transport)	Total Cost
Base Rate	1200	220	0	500	
# of Days		5			
Total	1200	1100	0	500	2800
Depart from	Washington DC to Europe				

- **Participant support costs (non-employees)**

- Fellows and participants

- Support for Fellow-initiated research
- Participation in training or events

- Stipends

- Non-wage payments
- Allocated leave rate = 1%

- Travel

- Provide same level of detail as you did for employee travel

- Subsistence
- Other
 - Include allocated fringe benefits = 8.4%
 - Tuition
 - Materials and supplies
- **Budget Justification**
 - Name(s) or headcount; per NSF, list name; type (scientist, grad student, etc.; what university/entity they're from. If unknown, what will be the method of selection
 - Travel plans
 - Explain subsistence requirements
 - Justify and support any other expenses

- **Other direct costs**

- **Materials and supplies**

- Cost <\$5,000 per item and used for project specific purposes
- Excludes office supplies
- Per NSF, itemize, e.g., \$4K lab supplies including chemicals & gases; \$1K animal supplies including mice, feed and tags; \$1.5K field supplies including small tools . . .

- **Publication costs**

- Graphic design, photography
- Journal page charges
- Submission fees



- Special use computing equipment

- For direct charge to award, justify need for scientific use computers/software (for example, project involves analysis of large datasets requiring dedicated workstation)
- Must be used just for that award or allocated if used for more than one award. For example, hardware and software cost \$3,200 and will be used 60% for Federal grant AAA and 40% for pass through grant WWW.
- Laptops, desktops and general use software, e.g., Microsoft office, used for general email, research for many projects, endowment funded activities, etc. (even if used for some award work) are NOT allowed as direct cost to award. Charge to endowment to be included as part of indirect cost.

- **Consultant services**

- Individual who belong to particular profession or provide specialized services
- Not employees and are not supervised by project personnel
- Consider consulting rate, travel costs, materials, etc.
- Fees must be normal or customary
- In justification, identify consultant or how they will be selected, over what period will they be engaged, how many hours will they work, what tasks to be performed, \$ for time, \$ for travel, \$ for supplies, etc.

- Computer services (external)
 - Computer-based retrieval of scientific, technical and educational information
 - In justification, identify each provider or criteria for selection, hours of usage, fee

• Subawards

- **Funds used to carry out program operations**, not to provide goods or services
- All subawards subject to terms and conditions of the main research award
- Subrecipient responsible for programmatic decision-making
- Subrecipient's performance measured against the program's objectives
- Subrecipient usually a university/college or another non-profit
- Indirect cost recovery is limited to first \$25,000 of each subaward
- **Subject to monitoring per OMB Circulars**

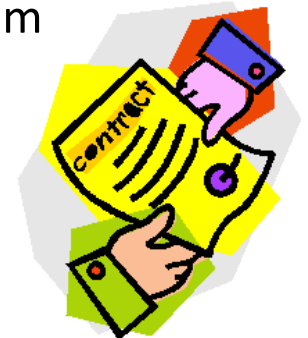
- **Budget justification**

- **Clear description/statement of work**
- Basis/criteria for selection of subrecipient
- **Separate budget and budget justification for each subaward. The justification should provide the same level of detail as for your proposal**
- Institutional letter of support
- **F&A or Indirect Cost Agreement**
- CVs of key personnel

- **Prospective subrecipient must complete Carnegie's Financial Status Questionnaire if not subject to A-133 &/ or doesn't have approved indirect cost agreement**
- PI may need to obtain agency approval for subawards not included in the initial budget

- **It's not a subaward when**

- Vendor provides the goods and services within its normal course of business
- **Vendor provides similar goods or services to many different purchasers**
- **Vendor operates in a commercial/competitive environment**
- Vendor is not involved in the design of the research
- Goods or services are usually ancillary to the federal program
- **Is usually a company or an independent contractor**
- Not subject to federal compliance requirements
- **Don't issue a subaward just because you want to limit indirect cost recovery!**



- **Misclassification is problematic**

- **Too little, too much or incorrect oversight**

- Federal compliance requirements for subawards but not for contracts
- Procurement requirements differ for contracts
- Monitoring required by OMB for subawards
- Conflict of interest provisions apply to subawards
- **Audit findings if either type of agreement is misclassified**



- **Other Direct Costs**
 - Itemize and justify in the budget justification
 - Generally do not include (treated as indirect):
 - General postage/shipping costs
 - Photocopying charges
 - General purpose software, e.g., Microsoft Office
 - Phone charges
- Total of lines equals Total Direct Costs

• Indirect Costs

- In general, NO reimbursement for indirect costs when grant is
 - Solely for support of travel, equipment, construction of facilities or doctoral dissertations
 - For participant support costs
 - To foreign grantees
 - To individuals (i.e., Fellowship awards)
- Current ICR
 - Rate used on proposals and for reimbursement requests is usually lower than the Maximum Provisional Rate
 - Use of a ICR below the agreed upon department rate on a proposal requires approval from HQ

- **ICR is applied to Total Modified Direct Cost (TMDC)**

- TMDC = Total direct costs less:
 - Fellowship and Participant costs
 - Capital equipment of \$5,000 or more
 - Portion of each subaward in excess of \$25,000
 - Other costs excluded per grant terms
- Different agencies and/or types of agreements may include/exclude different costs; be sure to check your agency's requirements

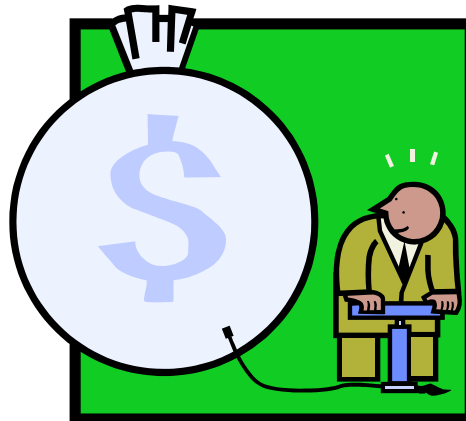
OTHER CONSIDERATIONS

- **Cost sharing or matching**
 - Portion of program costs not covered by the sponsoring funder
 - match may come from private and/or endowment funds
 - NSF – except when required in an NSF solicitation, inclusion of voluntary committed cost sharing is prohibited
 - For other agencies, check their policies on cost sharing

- Cost share can come from
 - Salaries and fringe benefits
 - Supplies and materials
 - Equipment
 - Other direct costs
 - Difference between official Final Indirect Cost Rate and ICR used by department, if lower
- Cost share expense should be incurred during lifetime of the award
- Tracking cost share is very important to prevent “double dipping”

- **Multi-year budgets**

- Incorporate escalation or inflation factor
- 2-3% is typical in today's economic environment
- Be aware of any limitations set by sponsoring agency

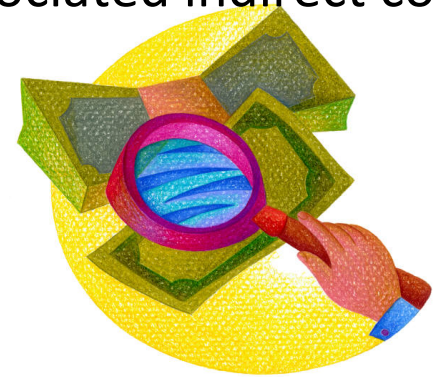


• **Final thoughts on budgeting**

- All costs must be:
 - Reasonable – prudent person
 - Allowable – cost principles
 - Allocable – necessary for the project
- Consistent treatment – across funders and similar costs, i.e., direct or indirect
- **Realistic estimates**
- **Transparent**
- **Clear and concise language/explanations**
- **Budget should be reviewed by the Business Manager before submission**
- **Discuss questions or problems with your Business Office and HQ grant accountants**

BUDGET MONITORING

- Budget entered in Carnegie's Financial Accounting System, NAV, when awarded
- Monthly GBVA report provided to PI & Director shows:
 - Budgeted expenses and actual expenses for the current month, fiscal year to date and grant to date
 - Amount available = Budget – GTD actual
 - Outstanding encumbrances shown but not associated indirect cost
 - Information by expense category
 - Individual subawards listed
 - Individual transactions for the month



- **What to look for**
 - Effort is correctly reported
 - All expenses are reported correctly
 - Expense category and coding (PI, Personnel Code, Subaward Code, etc.)
 - Amount
 - Allowable
 - Vendor, if applicable
 - No missing expenses
 - No missing or incorrect encumbrances
 - Remaining balance is what you expect it to be
- **If there is a problem or question, contact your business office**

The information of the following slides is subject to interpretation by the agencies and agency representatives.

It is also subject to change with little or no notice.

Always check with your business office first to determine if permission and/or notification is required!

RESEARCH TERMS AND CONDITIONS PRIOR APPROVAL AND OTHER REQUIREMENTS MATRIX

- **NSF & NASA Terms and Conditions**

- General requirements – written approval required for
 - Change in scope or objective
 - Withdrawal, long-term absence (> 3 months), change of PI, add/change co-PI
 - Need for additional funding
 - Addition of subaward
 - Any no-cost extension beyond the 1st request; considered an NSF approved No-Cost extension
 - Significant change in Person-Months devoted to project
 - PI transfer

- General requirements – agency approval waived but you still must notify the agency
 - Initial no-cost extension; considered a grantee approved no-cost extension for < 12 months
 - Carry-forward of unexpended balances to subsequent funding
 - 90 days pre-award costs, although approval of Director of Administration and Finance is REQUIRED
 - Anticipated residual funds in excess of \$5K or 5%
 - Significant changes/delays or events of unusual interest
 - Significant change in methods/procedures
 - Short-term absence of PI, < 3 months
- Cost-related requirements – written approval required for
 - Rebudgeting of fellow/participant costs to other categories of expense

- Cost-related requirements – prior approval waived
 - Rebudgeting among budget categories
 - Rebudgeting between direct and indirect costs
 - Equipment not in approved budget
 - Capital expenditures for improvement of equipment not in the budget
 - Alterations and renovations under \$25,000
 - Foreign travel, notification is recommended
- For other expenses and/or agencies, pass-through and private awards you should check with your business office regarding approval requirements
- **Subject to change!**
- **Award document trumps the matrix**

QUESTIONS

- Contact your Business Manager or the designated Grants Accountant in your department with any questions and concerns.
- If you believe any information in this presentation is in error, please contact Marj Burger, Financial Manager, at mburger@carnegiescience.edu

THANK YOU