

Memorandum

To: University Research Community

From: Roberto M. Gutierrez, Director of Pre-Award
Division of Research

Subj.: Charging General Administrative and Clerical Costs on Federally Sponsored Projects

Date: August 11, 2011

The Division of Research would like to remind the University Research Community that only allowable direct costs may be charged to federally sponsored projects in accordance with applicable federal regulations. For direct costs to be allowable they must be reasonable, allocable, given consistent treatment through the institution and conform to any listed exclusions set forth in federal regulations. Examples of allowable direct costs include salaries and wages for personnel working directly on the project, materials and supplies that are required to carry out the aims of the project, publication costs to publish results of the project, freight (FedEx) for shipping project samples, project specific long distance, travel related to the project etc.

Please note that the salaries of administrative and clerical personnel, such as secretarial staff, receptionists, accountants, bookkeepers and other administrators should not be charged directly to federally sponsored projects. Similarly, general administrative expenses, including office supplies, postage, toner, copy paper, local telephone charges, subscriptions and memberships should not be charged to federally sponsored projects.

These costs can be funded from a variety of other non sponsored project sources including: departmental accounts (E&G), F&A return accounts (returns to the PI / department / college), salary savings accounts (salary savings returns to the PI / department / college), or residual balances provided to the PI at the closure of a fixed price project.

In certain rare instances it may be possible for general administrative or clerical costs to be directly charged to a federally sponsored project. To directly charge administrative expenses or clerical salary or wages to a sponsored project, ALL of the following criteria must exist with reference to the administrative expenses and clerical salary and wages budgeted to the project as determined by DOR:

- They must be explicitly budgeted in the proposal for the project and explained in the budget justification;
- They must be measurable and identifiable;
- They must go above and beyond the normal administrative departmental support;
- They must be specifically identified with the project or activity directly (i.e., the project's technical mission); and

- They must be reviewed and approved prior to proposal submission via the use of the Direct Charge Exemption form (<http://research.fiu.edu/forms/proposalPreparation/directChargeExemptionForm.doc>).

Additional details about the charging of general administrative expenses and clerical costs on federally sponsored projects is available at <http://policies.fiu.edu/files/244.pdf>.

If you have any questions about this notice please contact your Division of Research Pre-Award representative (<http://research.fiu.edu/staff/staffListing.html>) at 305-348-2494 for further assistance.