



# **Sponsored Expenditures Guidelines**

FAS RAS Friday

Friday April 17, 2015

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# Agenda

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1. Overview
2. Key Changes
3. Escalation Process
4. Hot Topics
5. Differences between UG & A21 awards
6. Open Items

# Sponsored Expenditures Guidelines Overview

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- Formerly the “Guidelines for Federal Expenditures”
- Now called the “Sponsored Expenditures Guidelines”
- Updated for references to Uniform Guidance
- Input from departments regarding what would be useful information to include
- Effective Date: December 26<sup>th</sup>, 2014

# Sponsored Expenditures Guidelines Key Changes

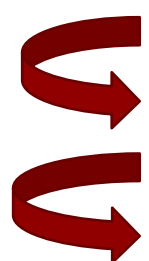
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- Includes both Federal & Non Federal
- Guidance vs. Policy
- Following Sections Added:
  - Escalation process
  - Documentation and justification
  - Expanded categories of cost
  - Prior written approval – list
  - Other related information section
  - Appendices
    - Special Considerations for NIH Federal Training Grants
    - Cost Allocation Methodologies

# Escalation Process

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## Review & Decision Hierarchy

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1. Departmental
  2. School/tub (HMS Allowability Panel)
  3. Central Council – Expenditure Review Committee
    - o Senior staff from central and school research offices, approximately 5-7 members
    - o Decision based on minimum of 3 responses
    - o Turnaround in 3 days

# Selected Sponsored Expenditures Guidelines “Hot” Topics

## Administrative and Clerical Salaries

- References the revised “*Admin & Clerical Salaries on Fed Awards*” policy
- Identifies the 4 new criteria
- Only applicable to grants under UG

## Alcohol

- Not allowable on Fed awards except in very unusual circumstances
- On non-Fed awards must meet T&C’s of award and be reviewed prior to expenditure

# Selected Sponsored Expenditures Guidelines “Hot” Topics

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## Compensation

- Sections
  - Bonuses
  - Maternity/parental leave
  - Severance
- Special Considerations
  - Compensation cannot increase due to available funding
  - No payments to supplement a fellowship from Fed awards
  - No Harvard employees can be paid as consultants or vendors

# Selected Sponsored Expenditures Guidelines “Hot” Topics

## Conferences

- Allowable on Fed awards if one criteria is met
  - Presenting results of a specific award
  - Conference is directly related to award being charged
  - An aim of the award is to host a conference
- Treat as indirect if the conference is to gain general info

## Equipment

- Distinction between “*special purpose*” & “*general purpose*” equipment
- Routine repairs
- Purchases at the end of awards



# Selected Sponsored Expenditures Guidelines “Hot” Topics

## Exchange Rates

- Increases of expense due to exchange rate fluctuations ARE allowable
- UG grants only

## Materials & Supplies - Computing Devices

- **Definition:** Machines used to acquire, store, analyze, process & publish data electronically including accessories for printing, transmitting, & receiving or storing electronic info
- Computing devices costing <5,000 that are essential to the performance of the award may be charged to awards
- UG grants only

# Selected Sponsored Expenditures Guidelines “Hot” Topics

## Recruitment and Relocation Costs

- Limited allowability to directly charge these costs
  - Specific criteria for each category
- Employee must stay 12 months
- Short term VISA costs are allowed (UG grants only)

## Travel Costs

- References the University policies
- Specific list of unallowable expenses
  - Limos
  - Commuting or any travel when not in “travel status”
  - Entire trip must be consistently

# Differences Between UG & A21 Grants

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- Admin Salaries
- Computing Devices
- Visa Costs
- Prior Approvals
- Procurement Rules (still open)
- Focus on Internal Controls

# Open Items - to be Addressed Later

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- Procurement – Awaiting government clarification
- Travel and Entertainment (T&E)
  - Awaiting results of the RMAS T&E audit
  - Should the T&E policy be more restrictive when using sponsored funding? Should we require PI sign-off on certain exceptions?
- How to identify A21 vs UG awarded grants