The Office of Management and Budget (OMB) has combined many federal circulars into a single guidance document (known as Uniform Guidance, or 2 CFR 200) that can be used by all agencies. The following information is provided as guidance for preparing proposal budgets and administering awards that will be issued under the Uniform Guidance (UG). The UG became effective on December 26, 2014 and will apply to all awards issued after that date. The federal granting agencies still are finalizing their implementation of the UG and there may be differences in each agency’s interpretation; however, these differences are anticipated to be minimal.

| **Item** | **UG** | **Comments** |
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| **ADMINISTRATIVE & CLERICAL SALARIES** | Administrative and clerical salaries may be allowable as direct costs | Previously, these costs only were allowed under grants that were defined as “major projects”. The new guidance deleted this definition and replaced it with four criteria that must be met, including: 1) Salaries are integral to the project; 2) individuals involved can be specifically identified with the project; 3) and the costs are not recovered as indirect costs, and 4) included and justified in the proposal budget or agency prior approval. |
| **COMPUTING DEVICES** | Computing devices < $5000 may be allowable as direct costs when essential and allocable to the federal project (i.e. devices meeting this criteria now are considered the same as material and supplies.) | Principal investigators are responsible for determining whether or not the device is “essential” and to what extent the cost of the device is allocable to the sponsored project. This determination should be documented. |
| **COST SHARING** | Cost sharing cannot be considered in merit review unless specifically required in the funding opportunity; therefore, “voluntary” cost sharing is not expected nor encouraged. | Cost sharing should be included ONLY in proposals that specifically require cost share or match. |
| **DEPENDENT CARE (CONNECTED WITH PROFESSIONAL TRAVEL)** | The additional cost of caring for dependents while PIs and key personnel are on conference travel can be direct charged. | Currently, this is not allowable under USC and SC state travel policy. |
| **EFFORT REPORTING** | Certification of time and effort no longer is mentioned in the guidance and is replaced by references to “internal controls that provide reasonable assurance.” | No immediate change to the USC system of effort reporting and certification is planned, and further review of ramifications are being reviewed by USC and external higher education organizations. |
| **INTERNAL CONTROLS** | Internal Controls are an essential part of spending federal funds and are stressed much more heavily in the new guidance. | Internal controls can be demonstrated by ensuring that expenses are charged to the proper account, accounts are not used to temporarily hold non-project expenses, and minimizing cost transfers. |
| **PARTICIPANT SUPPORT COSTS** | Participant support costs are allowable with agency approval and should be excluded from indirect costs (F&A). | Previously, these charges were handled as indirect costs, with the exception of NSF. PSC are not included in the calculation of IDC when preparing budgets. |
| **PI ABSENCES** | Prior approval required for “disengagement” from the project; Away from campus does not mean disengaged from project. | The absence of a PI for more than three months no longer requires agency prior approval as long as the PI remains actively engaged in project activities. |
| **PROCUREMENT STANDARDS** | The new standards include significant changes, and based on the comments received from the higher education community, implementation of the standards is delayed for one year. | USC will continue to operate under the current federal guidance (OMB Circular – A110) until July 1, 2016. |
| **PUBLICATION COSTS** | Page charges for professional journals are allowable when they report work on an award and may be charged even if incurred after the end date of the award, but before close out. | These types of charges will have to be coordinated with Contract and Grant Accounting to ensure that they do not interfere with the 90 day close out requirement. |
| **SUBAWARDS:**  **INDIRECT COSTS (F&A)** | Subcontractors without a negotiated F&A rate have the option of charging a 10% F&A rate. | Previously, subrecipients without a negotiated F&A rate were expected to charge reasonable “F&A type” items as direct costs or forego them. Subrecipients now are allowed to charge a de minimis rate of 10% MTDC. |
| **VISA COSTS** | Short-term, travel visa costs can be included on proposal budgets. Costs associated with visas when critical skills are needed for the specific award may be proposed and charged as direct cost. | Since short-term visas are issued for a specific purpose, they can be clearly identified as directly connected to work performed on a project and can be directly charged. |