**CHARGING ADMINISTRATIVE AND CLERICAL (200.413) AND PROGRAMMATIC SALARY COSTS (200.430)**

**AT TIME OF PROPOSAL**

- If it is determined that (1) the administrative and clerical services are essential, vital, or fundamental to the project or activity; AND (2) a minimum of 20% FTE* is budgeted in the grant’s budget year or there are documented special circumstances**, PIs/departments must explicitly flag or list in proposal budget justifications administrative and clerical costs that meet the direct charging definitions, explain why these costs are integral (SEE below for examples) to the project, and include the statement below shown in **bold.**

**EXAMPLE 1:**
This project will bring 355 undergraduate students from Egypt to Texas A&M. Fifty five students will pursue their undergraduate or MBA degrees and 300 students will attend the summer internship program. This is a large complex project that includes an extensive amount of communication, logistics, travel and meeting coordination, well beyond normal departmental practices. We will collaborate with 8 educational institutions in Egypt to recruit scholarship recipients. Travel arrangements to and from the US will be necessary as well as logistical support for the students while they are in the US. We are therefore requesting approval under 2 CFR 200.413 for an Administrative Assistant at 75% effort for 12 calendar months.

**EXAMPLE 2:**
The work of this PD Center project will require an extensive amount of administrative and clerical support which is significantly greater than the routine level of such services provided by the department. More specifically, this project requires project-specific database management, extensive travel reimbursement for staff and PD Center Specialists, extensive training documentation along with intensive statewide telephone and email customer support and service. We are therefore requesting approval under 2 CFR 200.413 for an Administrative Assistant at 100% effort for 12 calendar months.

**EXAMPLE 3:**
This project will process and track over 40,000 surveys. There are over 250 centers that we will need to coordinate with for survey delivery. We are requesting approval under 2 CFR 200.413 for an Office Associate at 30% effort for 4 months (the duration of the study).

*A percentage of effort below 20% FTE is unlikely to be viewed as “integral” to the project and may not be direct charged to it. Instead, these services are expected to be provided as a part of the services covered by indirect cost recovery.

**There may be special circumstances where a brief, intense period of administrative or clerical support is needed that does not equate to at least 20% time per year. If this is the case, explain the special circumstances. An example might include a conference that needs a high percentage of administrative support for a brief time immediately before or during the conference.
Examples of projects that could meet the definition of “integral”:

- Large, complex programs, such as program projects, research centers, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions.
- Projects which involve extensive data accumulation, analysis and entry, surveying, tabulation, cataloging, searching literature, and reporting (such as epidemiological studies, clinical trials, and retrospective studies of clinical records).
- Projects that require making travel and meeting arrangements for large numbers of participants, such as conferences and seminars.
- Projects where the principal focus is the preparation and production of manuals and large reports, books, or monographs (excluding routine progress and technical reports).
- Projects that are geographically inaccessible to normal departmental administrative services, such as research vessels, and other field research remote from campus.
- Projects requiring significant amounts of project-specific database management; individualized graphics or manuscript preparation; human or animal protocols, and multiple project-related investigator coordination and communications.

AT TIME OF AWARD

- If a proposal is submitted with the required statement/justification (as shown above), and an award is subsequently issued by the federal federal agency without explicitly deleting the administrative cost, the Notice of Grant Award will reflect approval to charge the requested cost. After award issuance, unless prohibited by the terms of the award, any post-award addition in the percentage of effort that does not exceed 25% of the amount approved by the sponsor may be incurred without additional federal approval. An addition greater than 25% must be requested from the federal sponsor as shown below. Reductions may be incurred without federal agency approval; however, PIs must recognize that this may still be questioned by auditors since the proposal indicated that such costs were necessary. PIs should be prepared to explain how the function was performed or why it was no longer needed.

- An administrative or clerical employee’s time may be fully or partially charged to sponsored projects with the balance charged to non-sponsored fund sources.
  - For example, an employee’s effort might be direct charged 25% time to one PI’s project, 20% to another PI’s project, and 55% to non-sponsored activities.
- If any portion of the employee’s time is direct-charged to a sponsored project, the employee must certify his or her effort via the effort reporting certification system.

FEDERAL AGENCY APPROVALS NEEDED DURING THE AWARD

- If new or additional (over 25% of the amount previously approved) administrative or clerical support is needed during the life of the award, PIs must write a letter to their federal program officer and/or federal grants officer (as dictated by the federal agency) requesting approval to direct charge the new/additional administrative services. These letters must be signed by the PI, be prospective (not retroactive) and include the following (PI should work with their TAMUS sponsored projects office to provide this detail):
  - The percentage of effort, time period needed, and estimated cost to the project (salary, fringe benefits, and associated indirect cost)
  - An explanation from what budget category the funds will be re-budgeted
  - How the services are integral to the project

The letter must be countersigned by the authorized organizational representative at the TAMUS entity’s sponsored projects office, who will then submit the request to the federal agency. PIs should allow a minimum of 30 days for an federal agency response.

F&A ON SUBAWARDS (200.331)

- When TAMUS is the subrecipient, the pass-through entity (the organization that receives a federal award directly) is obligated to honor the appropriate TAMUS negotiated F&A rate and may not impose additional restrictions or limitations on F&A unless the program has a statutory or other rate reduction approved by the head of the federal agency and publically posted per 2 CFR 200.414C.
• PIs may not negotiate rates with their subrecipients. Questions about appropriate F&A should be referred to the TAMUS entity’s sponsored projects office.
• If a federal program has a statutory F&A rate (e.g., certain USDA programs) or a posted F&A rate exception as outlined in 2 CFR 200.414C, TAMUS will use the federally approved rate for its work and will allow its subrecipients to use that same rate. All remaining proposals must use the subrecipient’s federally negotiated rate or the 10% MTDC de minimus rate.

**FixedPrice/Rate Subawards (200.332)**

**AT TIME OF PROPOSAL**

• The following justification statement should be added to competitive proposals containing subawards that are anticipated to be issued as fixed price and the cumulative estimated cost of the fixed price subaward is expected to be less than $150K:

“The subaward to [Name the subrecipient here] documented in this proposal meets the criteria described in Subpart C-200.201(b) and the Texas A&M University System is therefore requesting prior federal agency approval of this Fixed Price Subaward. TAMUS will consider this subaward approved if an award is made and no contrary guidance from the federal agency is included in the award notice.”

• General research collaborations are not likely to be issued as fixed price. If you are uncertain about how to set up the subaward, consult your TAMUS sponsored projects office for guidance, or omit the statement – you will be able to do an after-award-issuance request if it is determined that a fixed price subaward is needed.

• TAMUS sponsored projects offices reserve the right to make the final determination at time of subaward issuance whether to issue the subaward on a fixed price basis or cost-reimbursement basis. This is true regardless of whether a fixed price justification statement was included in the proposal.