Proposal Preparation under the Uniform Guidance

Introduction

This proposal preparation guide highlights select changes in the new federal regulations (the OMB Uniform Guidance) effective as of December 26, 2014. The guide should be used, in conjunction with the requirements of the Funding Opportunity, in the preparation of proposal budgets for federal sponsored projects in Fall 2014 and beyond. The OMB Uniform Guidance (UG), PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS supersedes requirements from OMB Circulars including A-21, A-110 and A-133.

This guide focuses on three areas:

1. Subrecipient requirements
2. Direct cost guidance for select items of cost
3. Voluntary committed cost sharing.

Subrecipient Requirements

F&A Budgeted for Subawards (Ref. 200.331)

Under the Uniform Guidance, Facilities & Administrative (F&A) costs must be budgeted for subrecipients as follows:

1. If the subrecipient has a federally negotiated F&A rate, the negotiated rate must be included in all proposed subawards (unless the federal sponsor has a lower published cap).
2. If the subrecipient does not have a federally negotiated F&A rate, the subrecipient may use a 10% Modified Total Direct Cost (MTDC) de minimus rate, as established by the Uniform Guidance. Please contact ORA if the subrecipient does not have a federally negotiated F&A rate for guidance.

There is no change to Tufts recovery of its own F&A costs – this remains limited to receiving our F&A rate on the first $25,000 of each subaward.

Fixed Price Subawards (Ref. 200.332)

Agency prior approval is required to enter into a fixed price subaward and the total value of each fixed price subaward may not exceed $150K. To expedite agency approval, PIs/departments should add the following justification statement to proposals contemplating a fixed price subaward. A statement is not needed for other subawards.

The subaward to [Name the subrecipient here] documented in this proposal meets the criteria described in Subpart C- 200.201(b) and Tufts University is therefore requesting prior agency approval of this fixed price subaward. The University will consider this subaward approved if an award is made and no contrary guidance from the agency is included in the award notice.
Direct Cost Guidance

The Uniform Guidance allows the direct charging of certain items to federal sponsored projects that could not be directly charged under the prior regulations. Some items require prior written approval from the sponsor. Select major changes in the Uniform Guidance affecting proposal budgets and charging of direct costs include:

- **Administrative and clerical salaries** (in certain circumstances) AND programmatic salary costs can be included on competitive proposal budgets.
  - The budget justification for any award seeking to charge salaries of administrative and clerical staff must include a narrative that explains how the services are integral to the project. Please see example language for budget justification to direct charge administrative/clerical costs:
    - “Tufts University will manage xx clinical sites. This management activity includes collection of multiple IRB approval documentation, monitoring of site progress, consolidation/aggregation of results and progress reports, weekly phone conference arrangements and {insert other admin/clerical duties}. This management activity represents a level of administrative/clerical services that is necessary to successfully carry out the program and therefore is integral to the project. This level of service is above and beyond that which is provided by the department on a routine basis. We are requesting that the program support a {insert job title} position at {insert effort level} to carry out these responsibilities.”

- **Computing devices ($5,000 or less per unit)** can be included in competitive proposal budgets
  - Budget justification should explain how the purchase is justified due to the circumstances.

- **Participant support costs** can be included for agency approval on competitive proposal budgets.
  - Include the following in budget justification: “The inclusion of participant support costs in the budget and the subsequent award by the agency will be considered prior agency approval.”

- **Short-term, travel visa costs** can be included on competitive proposal budgets.
  - Budget justification should explain how the costs are justified due to the circumstances.

Please see the Tufts University [Charging Expenses to Sponsored Awards Guidance](#) Document for information about the cost principles.

Voluntary Committed Cost Sharing

Cost Sharing occurs when the University "shares" a portion of a sponsored award’s costs, e.g., by committing faculty or staff effort to a project at no cost to the sponsor or by waiving all or a portion of F&A costs. Voluntary Committed Cost Sharing (VCCS) is cost sharing that is not required by the sponsor, but is explicitly pledged and included in the proposal.

Under the Uniform Guidance, funding agencies are prohibited from considering VCCS in the merit review process (200.306). The National Science Foundation specifically prohibits VCCS in proposals, unless specified in the funding opportunity announcement. Other federal agencies may publish their own regulations concerning VCCS, though they must follow the Uniform Guidance regarding the prohibition of considering VCCS in reviews.

University policy strongly discourages including VCCS in proposal budgets, except where required by a funding agency. VCCS has an adverse effect on the University’s recovery of F&A costs. In addition, when VCCS is included in a proposal, if awarded, it must be tracked and is auditable. Since federal agencies cannot consider VCCS in assessing a proposal’s merit, VCCS will not increase the likelihood of receiving an award.

If mandatory or committed cost-share is included in a proposal and unrecovered indirect costs are used as part or all of the commitment, include the statement below if the funding opportunity announcement (FOA) does not specifically allow unrecovered indirect costs as cost share:

“Inclusion of this source of cost share and the subsequent award by agency will be considered prior agency approval.”