Direct Cost Charging on Sponsored Projects
Policy No. GSU: 4.00.04
University Research Services and Administration

POLICY

Issued: July 2006
Revised: March 6, 2013

Contacts for questions about this policy, click here

The purpose of this policy is to ensure that Georgia State University (Georgia State) complies with the Federal Office of Management and Budget (OMB) standards regarding direct costs on sponsored projects. Direct costs on sponsored projects must be allowable, allocable, and reasonable. OMB provides the standards to which Georgia State must conform in Circular A-21, Cost Principles for Educational Institutions (http://www.whitehouse.gov/omb/grants_circulars) and A-110, Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education (http://www.whitehouse.gov/omb/grants_circulars).

DEFINITIONS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsored activities</td>
<td>Externally funded activities that must be separately budgeted and accounted for according to the terms of the sponsoring organization, State regulatory precepts, and Georgia State policy. Sponsored projects may include grants, contracts, and cooperative agreements with any Federal Agency, State Agency, or non-Governmental Organization that supports research, training and public service activities.</td>
</tr>
<tr>
<td>Direct costs</td>
<td>Costs associated with a specific sponsored project that can be directly assigned to essential activities with relative ease and a high degree of accuracy. These can include such costs as personnel costs for work performed under the sponsored agreement (salaries and fringe benefits), and supplies, equipment, travel, and other expenses necessary to the conduct of sponsored activities (Circular A-21: Section D). These cannot include F&amp;A costs incurred for common or joint objectives that are not specifically identified with a sponsored project.</td>
</tr>
<tr>
<td>Facilities and administrative (F&amp;A) costs</td>
<td>Costs, for the purpose of this policy, are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity (Circular A-21; Section E). F&amp;A costs are synonymous with &quot;indirect&quot; costs, as outlined in OMB Circular A-21.</td>
</tr>
</tbody>
</table>

POLICY DETAILS

A. Determining Factors
In making payments for activities funded by grants, contracts, and cooperative agreements, the university department/unit administering the project must determine whether the costs are allowable, allocable, and reasonable under the guidance of OMB Circular A-21 and A-110.
1. Allowable Costs

To be allowable a cost must be authorized for payment under the terms of the award made by the sponsor (Circular A-21: Section C2). The question to ask is, “Will the sponsor pay for this expense?” The tests as to whether a cost is allowable are:

a. the cost must be reasonable;

b. it must be possible to allocate the cost to a sponsored project using the principles and methods provided by the federal or state regulations;

c. the cost must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances and in compliance with Georgia State’s Disclosure Statement; and,

d. the cost must conform to any limitations or exclusions set forth in Circular A-21, the award agreement, the sponsoring agency’s guidelines in terms of types or amounts of cost items, State regulations, or Georgia State policy.

2. Allocable Costs

A cost is allocable if a specific good or service is chargeable or assignable to a particular cost objective (i.e., a specific function, project, sponsored project, department or the like) in accordance with the relative benefits received or other equitable relationship (Circular A-21: Section C4). The question to ask is, “Is the expense related to the project?” The tests as to whether a cost is allocable are:

a. if it is incurred solely to advance the work of the sponsored project;

b. if it benefits both the sponsored project and other work of the institution in proportions that can be approximated through use of reasonable methods; or,

c. if it is necessary to the overall operation of the institution based on the principles in Circular A-21 or as deemed assignable by the sponsored project.

In the case of equipment or other capital items purchased with specific authority of a sponsored award, the amount authorized for such purchases is assignable to the sponsored project regardless of the use that may subsequently be made of the items.

Note: Any cost allocable to a particular sponsored project according to the standards of the project may not be shifted to other sponsored projects to compensate for overruns, other reasons of convenience, or to avoid restrictions in law or the terms of the sponsored award. Neither may costs allocable to activities sponsored by industry, foreign governments, or other sponsors be shifted to federally-sponsored projects.

3. Reasonable Costs

A cost is considered reasonable if the nature and amount of the goods or services acquired for or applied to a specific sponsored project reflect the actions of a prudent person under the circumstances prevailing when the decision to incur the cost was made (Circular A-21: Section C3). The question to ask is, "Is the expense reasonable?" Major considerations in determining the reasonableness of a cost are:
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a. whether or not the cost is of the type generally recognized as necessary for the performance of the sponsored project or the operation of the institution;
b. the restraints or requirements imposed by factors such as arm's-length bargaining, Federal and State regulations, terms and conditions of a sponsored agreement, or agency guidelines;
c. whether or not the individuals acted with due prudence in considering their responsibilities to the institution, its employees, its students, State or Federal Government, and the public at large; and,
d. extent to which the actions taken to the incurrence of the cost are consistent with established institutional policies and practices applicable to the work of the institution generally and inclusive of sponsored projects.

B. Determining allowability, allocability, and reasonableness of direct costs
The first question to ask in making a determination as to whether a particular cost on a sponsored project is allowable, allocable, and reasonable is: Does the cost benefit the project? Additionally, one could look at if the decision to acquire the goods or services and the amount of the cost reflect what a prudent person would have made under similar circumstances. Several documents can be reviewed to help determine whether a particular cost is allowable, allocable, and reasonable. While the following list is not exhaustive, it does provide a reasonable course of action that for many circumstances will provide a measure of confidence as to the allowable, allocable, and reasonable nature of individual costs.

1. Approved Project Budget
The first document to review is the agency-approved budget for the project. Does the proposed expense appear as a line item in the budget and justified in the budget justification? If the item does not appear in the budget and budget justification, the item may be allowable under rebudgeting authority or with prior approval in writing from the funding agency. While a prudent person might have proposed certain costs in the project budget, after agency approval there could be a need to rebudget. Rebudgeting must ensure continued benefit to the project in question rather than benefit a different project or purpose.

2. Award Document or Contract
The allowability of certain costs may be addressed in the award document or the contract issued by the sponsoring agency. In some instances, grant awards may identify certain costs based on recommendations from the peer review system that are specifically not allowed by the sponsoring agency.

3. Agency Guidelines
Most agencies have guidelines for administering awards that give direction on allowing certain costs. Travel costs may appear in the budget, for example, yet the specific cost of airfare to attend a meeting in Europe may require prior approval according to the guidelines of the sponsoring agency.
4. OMB Circulars A-21 and A-110
The primary regulations governing the determination of whether costs are allowable, allocable, and reasonable on federal grants, contracts, and cooperative agreements are OMB Circulars A-21 and A-110. They also serve as the guidelines followed by Georgia State in making similar determinations on all externally sponsored projects. Section J of Circular A-21 identifies allowable costs and gives guidance on how such costs are to be charged directly to a sponsored project or allocated as facilities and administrative (F & A) costs. The institution is expected to be consistent in its treatment of expenses, but Circular A-21 also provides guidelines for determining when an exception can be made. While “like” circumstances must be treated the same, there is a degree of latitude with “unlike” circumstances.

PROCEDURES
Issued: July 2006
Revised: September 25, 2013

Treatment of Direct and Facilities and Administrative Costs
The following general instructions regarding direct and facilities and administrative (F&A) costs apply to all externally sponsored (i.e., restricted) projects, contracts and cooperative agreements. All costs must be charged in a timely manner and must be:

- **Allocable:** The cost must have a direct benefit and be directly attributable to the project or activity being performed.
- **Allowable:** The costs must be allowed by Georgia State policy, sponsor policies, the project’s Notice of Contract/Grant Award, and federal policy (*OMB Circular A-21*).
- **Reasonable:** The cost must be reasonable and necessary for the performance of the project.

Any expense that does not meet all of these criteria cannot be charged to the externally sponsored project, in accordance with accounting practices of Georgia State.

Treatment of Allowable Expenditures
The cost items listed in this section are some of the more common costs involved on sponsored programs at Georgia State and are provided as guidance only. Failure to mention a particular item of cost is not intended to imply that it is either allowable or unallowable. For a list of common expenditures, and whether they should be charged directly or indirectly to federally sponsored programs, see “Direct versus F&A Quick Reference” (Exhibit A below). For expenditures that are used to support multiple projects, those projects should normally be charged an appropriate amount based on use to the extent practical.

“If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the costs should be allocated to the projects based on proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, ...the costs may be
allocated or transferred to benefited projects on any reasonable basis..." (OMB Circular A-21, Section C.4.d(3)).

### List of Common Allowable Expenditures

<table>
<thead>
<tr>
<th>Expense Item</th>
<th>Expense Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising Costs</td>
<td>The only advertising costs allowable are those which are solely for: (1) the recruitment of personnel required for the performance by the institution of obligations arising under the sponsored agreement; (2) the procurement of goods and services for the performance of the sponsored agreement; (3) the disposal of scrap or surplus materials acquired in the performance of the approved agreement; and (4) other specific purposes necessary to meet the requirements of the sponsored agreement (Circular A-21; Section J1).</td>
</tr>
</tbody>
</table>
| Equipment and Other Capital Expenditures | Federal cost principles define equipment as "an article of nonexpendable tangible personal property having a useful life of more than one year, and an acquisition cost of $5000 or more per unit." Only equipment purchased specifically for the work performed under the sponsored project is considered allowable (Circular A-21; Section J18). When the university acquires equipment using Federal funds, it must assure that all purchases or leases are necessary, and beneficial.  
  • Approval to Purchase or Lease  
    Since approval criterion on the purchase or lease of capital expenditures varies between the different awarding agencies, approval will be obtained based on such awarding agency requirements. |
| Insurance                     | Costs of insurance required or approved pursuant to sponsored agreements are allowable (Circular A-21; Section J25).  
| Material Costs                | Costs incurred for purchased materials and supplies used directly for the performance of the sponsored project are allowable (Circular A-21; Section J31).  
| Memberships                   | Memberships that come as part of a subscription are allowable as a direct charge as long as they are specifically approved in the project’s budget and the scientific information in the subscription is the primary reason for the expenditure (Circular A-21; Section J33).  
| Office Supplies               | Normal departmental office supplies are treated as F&A costs and included in the Department Administration F&A cost pool (Circular A-21; Section F). An extensive amount of office supplies significantly greater than the routine level may be direct charged if approved by the sponsoring agency (for example; program projects grants, core awards, etc.). Potential Items of a specialized nature such as:  
  1. Personal computers with specialized non-administrative software for performance of work on sponsored project;  
  2. Printers attached to computers in item 1, not network printers used by department;  
  3. Printer toner cartridges used in Item 2 and specialized paper/materials needed to support the project(s) specific software; and,  
  4. The equipment in items 1 & 2 is physically occupying non-administrative space, such as a research lab or clinical trial room. |
| Postage or Delivery Costs     | Ordinary and routine postage is treated as an F&A cost and included in the Departmental Administration cost pool. Costs of an extraordinary amount of postage can be charged directly to a federally sponsored program if approved in the budget of that program. Delivery costs can be charged directly to projects if approved in the project budget (Circular A-21; Section J52).  
| Printing and                  | Printing and publication costs are allowable as direct costs to federally sponsored programs (Circular A-21; Section J63).  

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**Publications**
A-21; Section J39).

<table>
<thead>
<tr>
<th>Publications</th>
<th>A-21; Section J39).</th>
</tr>
</thead>
</table>

### Public Relations Costs
Costs pertaining to specific research or scientific accomplishments are allowable when they result from performance of the sponsored agreement and approved by the sponsoring agency. All other public relations costs are unallowable (Circular A-21; Section J1).

<table>
<thead>
<tr>
<th>Public Relations Costs</th>
<th>Costs pertaining to specific research or scientific accomplishments are allowable when they result from performance of the sponsored agreement and approved by the sponsoring agency. All other public relations costs are unallowable (Circular A-21; Section J1).</th>
</tr>
</thead>
</table>

### Remodeling Costs
Special arrangement and alteration costs incurred specifically for the sponsored project are allowable when such work has been approved in advance by the sponsoring agency (Circular A-21; Sections J40 and J41).

<table>
<thead>
<tr>
<th>Remodeling Costs</th>
<th>Special arrangement and alteration costs incurred specifically for the sponsored project are allowable when such work has been approved in advance by the sponsoring agency (Circular A-21; Sections J40 and J41).</th>
</tr>
</thead>
</table>

### Rental of Space
Space rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and, the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available. The cost of renting off-campus space specifically for a sponsored project is allowable when the off-campus F&A rate is charged to the project (Circular A-21; Section J43).

<table>
<thead>
<tr>
<th>Rental of Space</th>
<th>Space rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and, the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available. The cost of renting off-campus space specifically for a sponsored project is allowable when the off-campus F&amp;A rate is charged to the project (Circular A-21; Section J43).</th>
</tr>
</thead>
</table>

### Student Aid Costs
Costs of scholarships, fellowships, and other student aid are allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsoring agency (Circular A-21; Section J45).

<table>
<thead>
<tr>
<th>Student Aid Costs</th>
<th>Costs of scholarships, fellowships, and other student aid are allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsoring agency (Circular A-21; Section J45).</th>
</tr>
</thead>
</table>

### Subscriptions
Costs for subscriptions to professional and technical periodicals are allowable (Circular A-21; Section J33).

<table>
<thead>
<tr>
<th>Subscriptions</th>
<th>Costs for subscriptions to professional and technical periodicals are allowable (Circular A-21; Section J33).</th>
</tr>
</thead>
</table>

### Travel Costs
Travel costs are allowable when they are directly attributable to specific work under a sponsored project and are approved in the sponsored agreement (Circular A-21; Section J53). Foreign travel costs are allowable only when the travel has received specific prior approval. Costs of meetings and conferences, when the primary purpose is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, and other items incidental to such meetings or conference and should not exceed the amount normally allowed by the institution in its written travel policy.

<table>
<thead>
<tr>
<th>Travel Costs</th>
<th>Travel costs are allowable when they are directly attributable to specific work under a sponsored project and are approved in the sponsored agreement (Circular A-21; Section J53). Foreign travel costs are allowable only when the travel has received specific prior approval. Costs of meetings and conferences, when the primary purpose is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, and other items incidental to such meetings or conference and should not exceed the amount normally allowed by the institution in its written travel policy.</th>
</tr>
</thead>
</table>

See Georgia State Travel Policies and Procedures at: [http://www.gsu.edu/accounting/policies-procedures.html](http://www.gsu.edu/accounting/policies-procedures.html)

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### Treatment of Unallowable Expenditures

The cost items listed in this section are some of the most common unallowable costs involved on sponsored projects at Georgia State, and are provided as guidance only. Failure to mention a particular item of cost is not intended to imply that it is either allowable or unallowable. If you have any questions about the allowability of any cost on your project, please contact the University Research Services and Administration.

### List of Common Unallowable Expenditures

<table>
<thead>
<tr>
<th>Expense Item</th>
<th>Expense Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alumni Costs</td>
<td>Costs for alumni activities are unallowable (Circular A-21; Section 4)</td>
</tr>
<tr>
<td>Entertainment Costs</td>
<td>Costs incurred for alcohol (Circular A-21; Section J3), amusement, social activities,</td>
</tr>
</tbody>
</table>
entertainment, and any items relating thereto, such as meals, lodging, rentals, transportation, and gratuities are unallowable. Special care should be followed to ensure that entertainment costs are not charged to Federal projects. (Circular A-21; Section J17)

**Fines and Penalties**
Costs resulting from violations of, or failure to comply with, Federal, State, and local or foreign laws and regulations (including university regulations) are unallowable, except when incurred as a result of compliance with specific provisions of the sponsored agreement, or instructions in writing from the authorized official of the sponsoring agency (Circular A-21; Section J19).

**Interest**
Costs incurred for interest on borrowed capital are unallowable, with the exception of equipment with prior approval from the sponsoring agency (Circular A-21; Section J26).

**Losses on Other Sponsored Agreements or Contracts**
Any excess of costs over income under another sponsored agreement or contract of any nature is unallowable (Circular A-21; Section J29).

**Memberships**
Cost for membership in technical and professional organizations are normally treated as F&A costs. (Circular A-21; Section J33).

**Political Activities**
Federal funds may not be used for any type of partisan political activity by any person or organization involved in the administration of federally-assisted programs. "Political activities" include, but are not limited to, lobbying, publications, or other actions intended for influencing legislation (Circular A-21; Section J28).

**Proposal Costs**
The costs of preparing proposals - including typing, copying, mailing, etc. are treated as F&A costs and may not be assigned as a direct charge to a sponsored project (Circular A-21; Section J28).

**Public Relations Costs**
Costs pertaining to specific research or scientific accomplishments are allowable, when they result from performance of the sponsored agreement and approved by the sponsoring agency. All other public relations costs are unallowable (Circular A-21; Section J1).

**Student Activity Costs**
Costs incurred for intramural activities, student publications, student clubs, and other student activities are unallowable, unless specifically provided for in the sponsored agreements (Circular A-21; Section J48).

**Telephone Costs**
Costs incurred for local and long distance telephone services are normally treated as F&A costs.

### Incorrect and Correct Practices for Charging to Sponsored Awards
Additional assistance in ascertaining correct or incorrect practices with regard to charging costs to sponsored projects are listed in the tables below for ready reference.

#### Salaries/Personnel

<table>
<thead>
<tr>
<th>Incorrect Practice</th>
<th>Correct Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>✘ Charging of salaries based upon funding instead of actual effort.</td>
<td>✖ Charging of salaries must be based upon actual effort on a sponsored project and payment must be made in the corresponding pay period.</td>
</tr>
<tr>
<td>✘ Exempt salaries and hourly wages paid with no</td>
<td>✖ Payment of wages must be based upon actual hours</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Incorrect Practice</th>
<th>Correct Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation of hours worked and payment for hours not worked.</td>
<td>Worked and payment and hours must be properly documented and approved.</td>
</tr>
<tr>
<td>Grant was &quot;cross charged&quot;, i.e., costs charged to project based upon funding, convenience, or to &quot;payback&quot; for departmental accounts for coverage of deficits.</td>
<td>Use proper accounting and payroll forms such as electronic Personnel Action Forms (ePAFs), forms for retroactive changes, or Amended Personnel Action Form. Grants cannot be used to pay for deficits on other sponsored awards or unrelated accounts.</td>
</tr>
<tr>
<td>Non-Research activities performed such as, classroom instruction, and preparation of new and competing grant proposals</td>
<td>Charge only those costs that are in direct benefit to the research project. Classroom instruction or preparation of new and competing proposals are unallowable charges to a sponsored project.</td>
</tr>
<tr>
<td>Inconsistent allocation of grant support services such as clerical support, computer programming, and supplies.</td>
<td>Departmental services must be charged using a reasonable, consistent method (either direct or indirect) and be charged based upon actual services performed or units used.</td>
</tr>
<tr>
<td>Deficient Personnel Effort Report, i.e., not signed, not submitted, or not signed by individual(s) with direct knowledge of work performed.</td>
<td>Personnel Effort Reports must be submitted to the Office of Sponsored Proposals and Awards (OSPA) by the date noted on the cover sheet. They must be certified by the individual with direct knowledge of work performed by individuals paid on the research project or the Project Director.</td>
</tr>
</tbody>
</table>

### Purchase of Goods and Services

<table>
<thead>
<tr>
<th>Incorrect Practice</th>
<th>Correct Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods and Services purchased that did not directly benefit the research project, or were received outside the project period.</td>
<td>All goods and services charged as direct costs must have a direct benefit to the research project and received during the project period.</td>
</tr>
<tr>
<td>Office supplies, basic telephone, subscriptions and memberships charged directly without proper justification and approval.</td>
<td>Normal &quot;indirect&quot; costs may only be charged in &quot;unlike circumstances&quot; which have been properly justified and approved.</td>
</tr>
<tr>
<td>Inadequate documentation of approval.</td>
<td>The PI or designee, with firsthand knowledge of project and work performed, must indicate approval for goods and services, including payroll prior to the transactions.</td>
</tr>
<tr>
<td>Improper or not &quot;reasonable&quot; basis used to allocate shared direct costs. Examples include lab supplies, equipment, rent for off-campus facilities, etc.</td>
<td>Distribute costs between two or more projects based upon &quot;proportional benefit&quot; or &quot;interrelationship&quot;.</td>
</tr>
<tr>
<td>Failure to obtain required sponsor approvals.</td>
<td>Written prior approval must be obtained to incur any costs which require prior approval as per sponsors rules and regulations and/or grant terms and conditions.</td>
</tr>
</tbody>
</table>
Things That May Commonly Be Charged as Direct Costs

Charge the following types of costs directly to sponsored agreements when they can be specifically identified as necessary to the work performed under those agreements.

Salaries, Wages and Fringe Benefits:
- Faculty
- Technicians, Lab Assistants, Graduate Students
- Research Associates
- Tuition remission for Graduate Students

Supplies and Materials
- Chemicals
- Laboratory Supplies
- Computer Software
- Drugs
- Books
- Minor Equipment
- Uniforms
- Photographic Supplies
- Tools
- Animals

Other Direct Costs
- Travel
- Postage
- Subcontracts
- Radioactive Waste Disposal
- Consulting Services
- Equipment
- Animal Care
- Freight and Express
- Patient Care and Subject Costs
- Participant Support
- Office Supplies
- Long Distance Telephone Toll Charges
- Facilities Costs (e.g. rent, maintenance, security, and utilities)
- Other costs specifically identified and justified in funded proposals (where normal indirect costs are "unlike")
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Exhibit A
CHARGING EXPENDITURES: DIRECT VS. F&A

The following Quick Reference lists common expenditures, and whether they are generally charged directly or indirectly to federally sponsored programs. The actual written Georgia State policy should be referenced to fully understand how costs should be charged for specific circumstances.

<table>
<thead>
<tr>
<th>DIRECT</th>
<th>INDIRECT</th>
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<tbody>
<tr>
<td>Project Salaries</td>
<td>Administrative Salaries</td>
</tr>
<tr>
<td>Student Salaries</td>
<td>Clerical Salaries *</td>
</tr>
<tr>
<td>Advertising Costs</td>
<td>Memberships</td>
</tr>
<tr>
<td>Equipment</td>
<td>Office Supplies*</td>
</tr>
<tr>
<td>Insurance</td>
<td>Proposal Costs</td>
</tr>
<tr>
<td>Material Costs</td>
<td>Local/long Distance Telephone</td>
</tr>
<tr>
<td>Printing and Publications</td>
<td>Postage or Delivery Costs *</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>Building Depreciation</td>
</tr>
<tr>
<td>Approved Travel</td>
<td>Equipment Depreciation</td>
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<tr>
<td></td>
<td>Security Costs</td>
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<td></td>
<td>Electricity</td>
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<td>Steam</td>
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<td></td>
<td>Repairs and Maintenance **</td>
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<td></td>
<td>University Administration</td>
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<tr>
<td></td>
<td>Sponsored Programs Administration</td>
</tr>
<tr>
<td></td>
<td>Library Costs</td>
</tr>
</tbody>
</table>

* These costs may be charged directly to federally sponsored programs provided that they are extraordinary and are being used in significantly greater proportions than a routine level of support would require.

** Maintenance agreements may be charged to federal sponsored programs if the costs are directly attributable to the equipment used only on the project and limited to the life of the project.

RESPONSIBILITIES

<table>
<thead>
<tr>
<th>Position or Office</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Investigator/Project Director (PI/PD)</td>
<td>Initiates purchase requests on their sponsored accounts; Ensures that all charges are allowable and allocable for account being charged; Monitors expenditures and identifies and resolves problems related to their sponsored accounts.</td>
</tr>
<tr>
<td>Department or Unit Approver</td>
<td>Reviews purchase requests to ensure that the transactions are allowable and allocable, and approves or denies purchase requests on sponsored accounts; provides guidance to PI / PD or designees on policies and procedures for purchases on sponsored accounts.</td>
</tr>
<tr>
<td>Department Chair or Unit Head</td>
<td>Provides oversight on purchasing activity on sponsored accounts within the department or unit.</td>
</tr>
</tbody>
</table>
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### Office of Disbursements
Submits payments for all purchases from sponsored accounts.

### Office of Sponsored Proposals and Awards (OSPA)
Monitors purchases from sponsored accounts; Flags accounts where there are questionable charges and follows up with department or unit; Prepares and submits invoices to sponsors.

## CONTACTS

<table>
<thead>
<tr>
<th>Subject</th>
<th>Office</th>
<th>Telephone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural and other questions related to this policy</td>
<td>Office of Sponsored Proposals and Awards (OSPA)</td>
<td>404-413-3502</td>
<td>[Click here for list with your OSPA contact](mailto:Click here for list with your OSPA contact)</td>
</tr>
<tr>
<td>Payment status on charge requests on sponsored accounts</td>
<td>Dept. or Unit manager of Grants and Contracts</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>