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| <b>Document Owner:</b><br>Research Office | <b>Reviewed By:</b><br>Controller<br>Institutional Official | <b>Approved By:</b><br>Chief Financial Officer |
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## SCOPE

This policy applies to all funded research projects and those conducting funded projects conducted at North Memorial Health System, including North Memorial Health-Robinnsdale Hospital, North Memorial Health-Maple Grove Hospital, North Memorial Foundation and Blaze Health (collectively referred to as the “Organization”).

## PURPOSE

The purpose of this policy is to set forth the process by which individuals will apply for federal, state or other funding to support research activities.

## POLICY

All proposals and other requests or responses to outside agencies for funding for research projects must be submitted to the Research Office. The Research Office will route such proposals and other requests or responses to the Director of Financial Planning & Analysis, the Controller, and the Manager of Accounting for review.

It is the policy of the Organization to manage all grant funds in a consistent and accountable manner in compliance with applicable laws, regulations and guidance, including but not limited to:

- [OMB Uniform Guidance](#)
- [OMB Circular A-110](#), Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
- [OMB Circular A-133](#), Audits of Institutions of Higher Education and Other Non-Profit Institutions

Funded and non-funded projects involving human subjects, animal subjects, or biohazards must be reviewed and approved by an Institutional Review Board (IRB), an Institutional Animal Care and Use Committee (IACUC), or an Institutional Biosafety Committee (IBC), as applicable, prior to the beginning date of the project and the release of funds.

## DEFINITIONS

- F&A:** facilities and administrative costs, or overhead/indirect costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.
- Federal award:** means either Federal financial assistance that a recipient receives directly from a Federal awarding agency or indirectly from a pass through entity. This could also mean the cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass through entity. It can also mean the

instrument setting forth the terms and conditions of the award such as a grant agreement or cooperative agreement.

- C. **Non-Federal Entity:** means a State, local government, Indian tribe, Institution of Higher Education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.
- D. **Office of Management and Budget (OMB):** manages the budget development and execution of Federal government departments and agencies. This office issues circulars with guidance for grant-making agencies and guides the implementation of laws and regulations.
- E. **Project Cost:** means the total allowable costs incurred under a Federal award and all required cost sharing and voluntary committed cost sharing, including third-party contributions.
- F. **Recipient:** means an entity, usually but not limited to non-Federal entities, that receives a Federal award directly from a Federal awarding agency. The term recipient does not include subrecipients or individuals that are beneficiaries of the award.
- G. **Sub-award:** means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
- H. **Sub-recipient:** means an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

## PROPOSALS

All proposals to external sponsors by the Organization's providers or employees require approval by the Chief Financial Officer, Chief Medical Officer, and Department Chairperson prior to submission.

## AWARD ACCEPTANCE

When a sponsor has approved a proposal for funding, including proposals for which the Organization will be a subcontractor, the Organization will receive notice that an award has been made or a contract is being prepared. This notice may come in the form of a contract, grant, email notification, or award letter. The notice must be sent to Accounting, the Research Office, and to the Principal Investigator (PI). If the PI receives such a notice, he/she must forward it to the Research Office immediately to become part of the formal record of the award.

If the award requires that a contract or agreement be initiated, it will be reviewed initially by the Organization's legal counsel. No award can be accepted until all sponsor terms and conditions have been reviewed and approved by the Organization's legal counsel, Human Resources, and Purchasing, and other departments as appropriate based on the nature of the project. The Chief Financial Officer is responsible for signing award documentation. The Research Office officially notifies all relevant parties when an award has been accepted and fully executed. PIs or Department Heads are not authorized to sign award documents on behalf of the Organization.

## **CERTIFICATIONS AND ASSURANCES**

The federal government requires the Organization to submit a number of institutional assurances and certifications. The Research Office prepares any/all required documents regarding:

- Lobbying
- Debarment and Suspension
- Misconduct in Science
- Non-Delinquency of Federal Debt
- Drug-free Workplace
- Affirmative Action
- Veterans, Disabled Veterans and Veterans of the Vietnam Era

## **POST AWARD**

### **I. Establishing a Grant Account**

The Research Office, in collaboration with the Controller/Accounting establishes a cost center for each sponsored program award. Expenditures are charged to the cost center by the PI or authorized individual. This structure enables tracking and reporting of expenditures for each individual award.

Financial Planning & Analysis assigns a fund number and notifies the PI. Once the PI receives the fund number, the PI or the department business manager can charge appropriate expenditures to it.

### **II. Award Management**

The PI is responsible for controlling expenditures and remaining within the budget awarded by the sponsor. The accuracy of both the budget and expenditure information is the responsibility of the PI. Any corrections should be filtered through the Research Office to the appropriate departments (e.g., Payroll, Purchasing, and Accounting/Controller). Expenditures over the budget or for disallowed costs are not permissible and they will ultimately become a department responsibility. Accounting is responsible for the Organization's sponsored program accounting including invoicing sponsors, preparing financial reports, and coordinating sponsored program financial audits.

The following sections provide detailed requirements and guidance for post-award administration.

### **III. Award Terms and Conditions**

The award document must be reviewed by the PI, Human Resources, Purchasing, Accounting and the Research Office to determine special terms and conditions, with respect to requirements for both financial management and non-financial management. Identifying any special terms and conditions at the outset and communicating those requirements is critical to ensure appropriate management of the award.

The Research Office, in collaboration with other departments as necessary, will review award terms and conditions with the PI. The Research Office will produce an internal notice of key information about the award and administrative guidance on items such as required prior approvals, award restrictions, and reporting. This will also include an internal budget for the award.

### **IV. Allowable Costs**

OMB Uniform Guidance identifies direct and indirect costs that may be charged to Federal grants and contracts. The Uniform Guidance also identifies those charges that cannot be charged to sponsored agreements and are considered unallowable expenses. The Uniform Guidance offers four tests to determine the allowability of costs applied to federally sponsored agreements.

Allowable costs must be:

1. Reasonable – For a cost to be considered reasonable, it must be necessary for fulfillment of the agreement, acquired by means consistent with Federal and state laws and regulations, and consistent with Organization policies and practices.
2. Allocable – A cost is allocable to a sponsored agreement if the goods/services involved are charged in accordance with the relative benefits received by that agreement. To be considered allocable, a cost must be incurred solely to advance the work under the sponsored agreement or benefit both the sponsored agreement and other work of the institution in proportions that can be approximated through use of reasonable cost allocation methods.  
*Note:* Any cost that is allocable to a particular sponsored agreement may not be moved (e.g., cost transfer) to another sponsored agreement in order to meet deficiencies caused by overruns or other funding considerations, to avoid restrictions imposed by law or by terms of the sponsored agreement, or for other reasons of convenience.
3. Treated consistently throughout the Organization - similar costs normally cannot be treated as both direct and indirect costs.
4. Allowable – Conform to any limitations or exclusions in the sponsored agreement.

### **V. Unallowable Costs**

There are expenditures that the Federal government deems inappropriate and will not reimburse, which must not be directly or indirectly charged to contracts and grants; the government refers to these categories of costs as *unallowable*; unallowable costs are identified in the OMB Uniform Guidance.

## **VI. Financial Management Practices**

Charges to a sponsored project should support the project's purpose and activity and represent those costs necessary to meet the project's scientific and technical requirements. Such charges cannot be assigned arbitrarily or for the purpose of simplified budget management that is unrelated to the sponsored agreement's purpose. The Organization follows the OMB Uniform Guidance that states "Direct costs are those costs that can be identified specifically with a particular sponsored project, an instructional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. Where an institution treats a particular type of cost as a direct cost of sponsored agreements, all costs incurred for the same purpose in like circumstances shall be treated as direct costs of all activities of the institution."

## **VII. Budget Reallocation**

In circumstances when PIs wish to make a change in a project budget, staff, scope of work or dates the sponsor's explicit approval may be required. The PI should prepare the request to the sponsor, providing necessary justification and submit the request to the Research Office **before** the change occurs. The Research Office will review the request to make sure the content and justification are suitable, and then forward it to Human Resources, Accounting, Purchasing and/or other departments as applicable based on the nature of the proposed change. Once all applicable departments have reviewed the proposed change and agreed that the change is appropriate, the Research Office will forward the change request to the sponsor. Since the sponsor may reply directly to the PI or to the Research Office, each should inform the other when they receive a reply from the sponsor.

Expanded authority is the operating authority provided to grantees by Federal agencies that waives the normally-required sponsor pre-approval for specific actions.

Examples of changes **not** covered under expanded authority (i.e. written agency approval is required to do any of the following):

- Change in the scope or the objective of the project or program;
- Change of a key person specified in the application or award document;
- Absence of the PI for more than three months;
- Reduction in time devoted to a Federal project by 25% or more;
- Change in circumstances whereby additional Federal funding is needed to complete the project.

## **VIII. Cost Transfers**

Many Federal agencies that perform audits of sponsored programs have focused attention on untimely or unsubstantiated cost transfers (i.e., moving transactions from one sponsored project to another). Funding agencies have questioned and/or disallowed transfers when they occurred frequently on an award, when they were not processed timely (occurring several months or more after the initial charge was recorded), and/or when there was an inadequate explanation or lack of accompanying documentation. Transfers of this type,

particularly when they occur on projects with cost overruns or unexpended balances, cause agencies to question their appropriateness, as well as the overall reliability of the recipient's accounting system and their ability to properly administer sponsored programs.

**It is the PI's responsibility to monitor all transactions charged to his/her sponsored project.** Per OMB Uniform Guidance, all cost transfers must be reasonable, allocable, treated consistently throughout the Organization, and conform to any limitations or exclusions in the sponsored agreement. If it is determined that a cost transfer is required, the following should be noted:

- Cost transfers representing corrections of clerical or bookkeeping errors (i.e., transactions inadvertently charged to the wrong project) **must be made promptly** after the errors are discovered. Cost transfers must be made within 90 days of the original transaction. When a transfer is made after 90 days, it raises serious questions regarding the appropriateness / allowability of the transfer.
- All transfers **must be supported by documentation** which contains a full explanation of how the error occurred and a certification of the correctness of the new charge. An explanation which merely states that the transfer was made "to correct an error" or "to transfer the charge to the correct project" is not sufficient.
- Transfers which involve a change in previously certified effort will require a further statement indicating why the effort reporting was not corrected prior to the original certification. In addition, a statement that the revised distribution of pay accurately represents effort during the period indicated will be required.
- All cost transfers of expenditures to a federally sponsored project will require approval from Accounting, with notice to the Research Office.

When a PI processes or requests a cost transfer for a transaction that is 90 or more days after the date the original transaction was posted to the sponsored project, a detailed explanation of why the transfer is late must accompany the request. Note: all cost transfers beyond the 90 day period are subject to the review and approval of the Controller.

## **IX. Application of F&A Costs**

The Organization utilizes the federal de minimis rate of 10% for federally sponsored awards and a minimum of 25% for industry-sponsored research. Institutional F&A rates may not always be allowable on particular sponsored programs awards, or if they are allowable, they may not be allowable at the institution's federally negotiated rates. Some funding sources (such as private foundations) impose a restriction on F&A costs or overhead, by rate or dollar amount, or disallow these costs entirely. Written documentation of such a policy must accompany proposals throughout the proposal review, submission and approval process. Exceptions to using the federally negotiated rate must be requested in writing and submitted to the Research Office for approval by the Controller prior to the submission of the proposal.

## **X. Cost Sharing**

Cost sharing is defined as all contributions, including cash and third party in-kind project or program costs, which are not supported by the sponsored agency. While it is recognized that, on occasion, the Organization's resources may be needed to leverage external support, cost sharing on sponsored projects should be limited

to those circumstances where it is required by the sponsor. The term “Matching Funds” refers to a specific kind of cost sharing known as “Mandatory Cost Sharing” that must be provided to be eligible for an award.

Cost Sharing can take the form of:

- Time contributed by individuals employed under a continuing contract by the Organization;
- Funds designated for non-personnel costs (e.g. supplies, travel, contractual services, and equipment purchases) from an account within the Organization;
- Contributions of personnel time or other allowable costs from third parties.

There are two types of cost sharing at the initial proposal stage:

- “Mandatory cost sharing” or “Matching” is cost sharing that is legally required by the awarding agency as a condition of the award. When cost sharing is required, the funding agency is required to specify this requirement in the funding agency’s program announcement.
- “Voluntary committed cost sharing” is not required by the awarding agency as a condition of the award. The Organization does not voluntarily commit cost share on grants when it is not required by the funder.

Mandatory cost sharing must be tracked and reported in the final financial report for the award. Voluntary committed cost sharing also needs to be tracked and becomes part of the Organization’s F&A calculation.

All cost sharing must be approved by the Chief Financial Officer.

## **XI. Effort Reporting**

The Federal government requires an effort report when an individual is compensated by or has agreed to contribute time to a federally sponsored project. All investigators and staff are expected to charge their time to sponsored awards commensurate with the committed effort expended on all activities they perform. Therefore, all individuals that are paid on a sponsored agreement, including central or departmental administrators, are responsible to certify the amount of effort that they spent on sponsored activities.

Personnel that have received compensation from Federal sources must certify that they have expended effort on the federally funded project, at a minimum, in the same percentage amount that they have been paid or have agreed to cost share.

In addition to fulfilling audit and compliance requirements of Federal granting agencies, time and effort reporting is provided to the Organization’s public accounting firm and is subject to OMB Circular A-133. Eventually Time and Effort reports will be used to calculate the effort cost sharing included in the F&A proposal for the Organization.

The issuance of quarterly Time and Effort reports will be done by Human Resources, in collaboration with the PI. All reports must be signed by the PI.



## **XII. Payment and Cash Management**

The PI and Accounting are jointly responsible for ensuring that all sponsor payments are received on time. The PI is responsible for completing all project requirements of the agreement so the sponsor will make the scheduled payments according to the award terms.

Most awards are made on a "cost-reimbursable" basis and the Organization is reimbursed for actual expenses incurred, usually on a monthly or quarterly basis, by billing the sponsor or by drawing against a sponsor's letter of credit account. Some awards, usually from private sponsors, are funded by a fixed payment schedule, which typically includes some advance payment.

If the PI receives a sponsor check, it should be forwarded to Accounting for deposit and accurate accounting in the grant account.

Invoicing or cash draws from Federal sponsor projects should be performed on a quarterly basis unless otherwise noted in the terms and conditions of the sponsored agreement. Accounting will perform electronic funding draw-downs from sponsoring agencies.

## **XIII. Monthly Reconciliations (Expenditure Statements and Budget Monitoring)**

A monthly accounting and reconciliation report will be generated by Financial Planning & Analysis for PIs and, in some cases, business managers to review. It is the responsibility of the PI to review these for accuracy and report necessary corrections, including notice of a no-cost extension if the funds will not be fully expended by the grant close date. Financial Planning & Analysis should be contacted regarding any discrepancies or questions on the report.

## **XIV. Financial Reporting**

Financial reports must be submitted to the awarding agency as described in the agreement. Reports of expenditures are required as documentation of the financial status of grants according to the official accounting records of the recipient. Financial or expenditure reporting is accomplished using the Financial Status Report (FSR) (SF425); the recipient must use the long form (SF 425) to report program income earned and used.

Accounting is responsible for preparing and submitting the Financial Status Reports (FSR). However, Accounting may require the assistance of the PI, or other offices to complete the FSR. Accounting is required to sign the FSR on behalf of the Organization.

## **XV. Technical Reporting**

Technical reports are the responsibility of the PI. The due dates and any required form or formats for technical reports (i.e. performance or progress reports) are included in the terms of an award. Most commonly, technical reports are due on an annual or budget period basis plus a final report within 60 days following the expiration date of the award. Federal agencies may not require performance reports more frequently than quarterly on Federal grants, and not less frequently than annually. Nevertheless, Federal contracts may have more frequent reporting requirements.

The PI is responsible for submitting the technical report to the funder by the external due date and sending confirmation of the submission to the Research Office. If the report requires a financial analysis, the PI should



submit the technical report to the CRS at least one month before it is due to the funder. The PI is responsible for submitting both reports by the deadline.

Generally, OMB Circular A-110, Section .51 prescribes that technical reports should include: 1) a comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigator, or both. Where appropriate and feasible, quantitative data should be tied to cost data; 2) reasons why established goals were not met, if appropriate; and 3) other pertinent information, including any necessary explanations of unusually high costs or overruns.

## **XVI. Close-Out**

Within the 90 days after a project has ended, the PI must submit a final progress report to the sponsor before an award can be closed out. Sponsors might also require an additional form, report, final invention statement, or final financial status report to officially close out an award. PIs are responsible for reviewing the terms and conditions of the applicable award for specific close out procedures.

Unless it requires the Organization's endorsement, progress reports can be submitted directly to the sponsor, with the exception of reports to foundations or corporations to which the Research Office will submit the report. If a progress report is submitted directly to the sponsor, PIs must promptly send a copy to the Research Office. Final Invention Statements must be submitted to the Accounting for countersignature by the Chief Financial Officer. Final Federal Financial Reports, refer to the Financial Reporting section of the award documentation or contact the Controller.

### ***No-cost Extension***

The Organization is authorized to request no-cost extensions for eligible Federal and other grants. The extension cannot be exercised merely for the purpose of using unobligated balances. The request requires:

- The PI to send a justification letter to the Research Office. The letter is to include the length of the extension, the amount to be carried forward, and the plans for completing the project.
- The Research Office will notify the sponsor of the extension by countersigning the letter and forwarding it to the sponsor-granting officer.

## **XVII. Subrecipient Monitoring**

The Organization is responsible for monitoring the programmatic and financial activities of its subrecipients to ensure proper stewardship of sponsored funds. The Uniform Guidance requires pass-through entities to evaluate each subrecipient's risk of noncompliance in order to determine the appropriate monitoring level, monitor the activities of the subrecipient organizations to ensure that the subaward is in compliance with applicable Federal regulations and terms of the award, and verify that subrecipients are audited as required by Subpart F of the Uniform Guidance. For non-federal awards, the Organization may also be required by the sponsor to provide evidence of due diligence in reviewing the ability of a subrecipient to properly meet the objectives of the subaward and account for the sponsor's funds. Failure to properly monitor subrecipients could jeopardize the Organization's reputation and current/future funding.

Subrecipient monitoring is a shared responsibility of the PI, the department, and the Organization. The PI must submit a request for a preliminary review of the subrecipient(s) to the Research Office at the proposal stage. The PI must also monitor each subaward through the contract period and escalate any concerns to the Research Office immediately.

The Research Office and Accounting will collaborate to perform risk assessments on new subrecipient organizations and conduct annual assessments on active non-single audits subrecipient organizations.

#### **XVIII. Record Retention**

Records, including financial documentation, statistical records, research data including lab books, and scientific papers, pertinent to the project must be retained for three years following submission of the final financial report, unless the terms of the award provide for a different period. Electronic or copied paper versions of records may be used in place of the original records.

Record retention for other sponsors is as specified in the award or in sponsor policy. If litigation commences within three years of the end of the project or project period, records must be retained until the litigation reaches its final outcome.

**POLICY AND PROCEDURE**  
**Grant Management Policy**  
Effective Date: 8/23/2024  
**BUSINESS CONFIDENTIAL**

| Type of Payment   | Federal Sponsor  | State Sponsor            | Private Sponsor          |
|---|--|--------------------------|--------------------------|
| Advertising and public relations costs  | Allowable when necessary to meet the specific requirements of the sponsored agreement.   | Same as Federal sponsors | Same as Federal sponsors |
| Alcoholic beverages   | Unallowable  | Unallowable              | Unallowable              |
| Automobile Costs for Personal Use   | Unallowable  | Unallowable              | Unallowable              |
| Bad Debt  | Unallowable  | Unallowable              | Unallowable              |
| Books and journals  | Allowable when necessary to meet the specific requirements of the sponsored agreement; otherwise provided as part of the Hospital's library services.                      | Same as Federal sponsors | Same as Federal sponsors |
| Consulting services   | Consultant services rendered by persons who possess a special skill (not officers or employees of NMH) are allowed up to a maximum amount of \$540 per consultant per day. | Same as Federal sponsors | Same as Federal sponsors |
| Defense and Prosecution of Criminal and Civil Proceedings, Claims Appeals and Patent Infringement | Unallowable  | Unallowable              | Unallowable              |
| Donations and contributions   | Unallowable  | Unallowable              | Unallowable              |
| Entertainment   | Unallowable  | Unallowable              | Unallowable              |
| Equipment – special purpose (e.g., scientific equipment)  | Allowable provided that items with a unit cost of \$5,000 or more have the prior approval of the sponsor; must be specific to the award                                    | Same as Federal sponsors | Same as Federal sponsors |

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| Fines and Penalties   | Unallowable  | Unallowable              | Unallowable              |
| Goods and services for personal use                         | Unallowable  | Unallowable              | Unallowable              |
| Insurance   | Costs of insurance required or approved pursuant to the sponsored agreement are allowable; otherwise treated as an F&A cost.   | Same as Federal sponsors | Same as Federal sponsors |
| Interest and Investment Management Costs                    | Unallowable except for cost related to the physical custody and control of monies and securities and for interest cost paid to external parties for assets (buildings and equipment) used to support government contracts. | Same as Federal sponsors | Same as Federal sponsors |
| Lobbying  | Unallowable  | Unallowable              | Unallowable              |
| Losses on Government or Other Contracts                     | Unallowable  | Unallowable              | Unallowable              |
| Materials and supplies                                      | Allowable when necessary to meet the specific requirements of the sponsored agreement.   | Same as Federal sponsors | Same as Federal sponsors |
| Meetings and conferences                                    | Allowable provided the primary purpose of the meeting or conference is the dissemination of sponsored agreement-related information.   | Same as Federal sponsors | Same as Federal sponsors |
| Memberships, subscriptions, and professional activity costs | Generally unallowable as a direct cost except when necessary to meet the technical requirements of the award. The cost of membership in any civic or community organization is unallowable.                                | Same as Federal sponsors | Same as Federal sponsors |

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| Office Supplies                      | Unallowable as a direct cost except where extensive use of office supplies is necessary to meet the requirements of the sponsored agreement.          | Generally allowable provided the supplies are reasonable and directly related to the work of the sponsored agreement; however, this may depend on the state granting agency. | Same as State sponsors                            |
| Personal Housing and Living Expenses | Unallowable   | Unallowable  | Unallowable                                       |
| Postage and printing                 | Unallowable as a direct cost except when extensively used (FedEx, UPS, etc.) or necessary to meet the technical requirements of the award.            | Allowable provided the postage is reasonable and directly related to the work of the sponsored agreement.  | Same as State sponsors                            |
| Precontract costs                    | Unallowable unless approved by sponsoring agency.   | Same as Federal sponsors   | Same as Federal sponsors                          |
| Prizes & Awards                      | Unallowable   | Unallowable  | Unallowable                                       |
| Professional journal publications    | Allowable where the article reports sponsor-supported work and the costs are levied impartially on all papers published by the journal.               | Same as Federal sponsors   | Same as Federal sponsors                          |
| Proposal development costs           | Unallowable   | Same as Federal sponsors   | Same as Federal sponsors                          |
| Scholarships – Merit                 | Allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsor. | Same as Federal sponsors   | Allowable when approved in advance by the sponsor |

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| Taxes                  | Unallowable when exemptions are available to the Hospital or are available to the Hospital based on exemptions afforded the Federal government. Also unallowable for special assessments on land which represent capital improvements and for federal income taxes. | Same as Federal sponsors | Same as Federal sponsors |
| Telephone – local      | Unallowable   | Same as Federal sponsors | Same as Federal sponsors |
| Travel – domestic      | Allowable provided the travel is reasonable and directly related to the work of the sponsored agreement. Any costs in excess of the lowest available commercial discount or standard coach airfare are unallowable.   | Same as Federal sponsors | Same as Federal sponsors |
| Travel – international | Generally unallowable unless specifically approved in advance by the sponsor.   | Same as Federal sponsors | Same as Federal sponsors |
| Tuition Remission      | The charge must be approved in advance by the sponsor.  | Same as Federal sponsors | Same as Federal sponsors |

| <b>Salary, Wages, and Stipends</b> |   |   |                        |
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| Faculty and professional staff     | Allowable provided the salary is reasonable, directly related to the work of the sponsored agreement, and documented in accordance with OMB Uniform Guidance. | Generally allowable provided the salary is reasonable, directly related to the work of the sponsored agreement, and documented in accordance with Hospital procedures; however, this may depend on the state granting agency. | Same as State sponsors |
| Post-doctoral associate            | Allowable provided the salary is reasonable, directly related to the work of the sponsored agreement, and documented in accordance with OMB Uniform Guidance. | Allowable provided the salary is reasonable, directly related to the work of the sponsored agreement, and documented in accordance with Hospital procedures   | Same as State sponsors |



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| Administrative and clerical staff   | Unallowable as a direct cost except where a "major project" explicitly budgets for administrative services and the staff involved can be specifically identified with the award. See OMB Uniform Guidance. | Generally allowable provided the wages are reasonable, directly related to the work of the sponsored agreement, and documented in accordance with Hospital procedures; however, this may depend on the state granting agency. | Same as State sponsors   |
| Graduate Assistant wages            | Allowable provided the wages are reasonable, directly related to the work of the sponsored agreement, and documented in accordance with OMB Uniform Guidance.  | Allowable provided the wages are reasonable, directly related to the work of the sponsored agreement, and documented in accordance with Hospital procedures   | Same as State sponsors   |
| Graduate Teaching Assistants salary | Allowable only when the purpose of the sponsored agreement is instruction or training and the charge is approved in advance by the sponsor.  | Same as Federal sponsors  | Same as Federal sponsors |

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| Graduate Research Assistant stipend | Stipends are no longer allowed, GR must be paid salaries.  | Same as Federal sponsors  | Same as Federal sponsors |
| Other Stipends                      | Stipends are not allowed by NMH when the stipend is considered a gift. Allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsor and NMH. | Same as Federal sponsors  | Same as Federal sponsors |
| Student Wages - Academic Year       | Allowable provided the wages are reasonable, directly related to the work of the sponsored agreement, and documented in accordance with OMB Uniform Guidance.  | Allowable provided the wages are reasonable, directly related to the work of the sponsored agreement, and documented in accordance with Hospital procedures | Same as Federal sponsors |