

Allowability of Administrative/Clerical Salaries – Guidance and Process

Background:

The salaries of administrative and clerical staff should normally be treated as F&A costs, for both on and off campus projects. Administrative and clerical salaries may be treated as direct costs under certain exceptional and unlike circumstances as described below.

At the University of Washington, certain job codes are identified as positions that are considered administrative/clerical. For a complete list, please see GIM 23.

UW Policy:

Administrative/clerical salaries charged to a federal budget are considered unallowable unless:

- The salary falls within the special circumstances specified by the OMB Cir. A-21 Section.F.6.b Interpretation (see below)
- The title, effort level and salary of the position is stated in the proposal
- The special circumstances of the services are justified in the proposal
- The sponsor does not specifically disallow the cost in the award.

A department must document the responsibilities of the specific position and the effort devoted to the project in the departmental grant file.

Federal Guidance:

OMB Cir. A-21 description of and examples of exceptional and unlike circumstances:

The nature of the work performed under a particular project requires an extensive amount of administrative or clerical support which is significantly greater than the routine level of such services provided by academic departments:

- be identified specifically with a particular sponsored project relatively easily with a high degree of accuracy
- and the special circumstances requiring direct charging of the services would need to be justified to the satisfaction of the awarding agency in the grant application or contract proposal.

GIM 23 includes specific examples provided by OMB to illustrate circumstances where direct charging of administrative and clerical salaries may be appropriate.

UW Process:

OSP and GCA will, by default, indicate that your grant project may not charge admin/clerical costs directly to a project. This is indicated within MyFinancial Desktop,

under Flag02, with a value of “0”, and an accompanying statement that administrative/clerical costs are not allowed.

If your project falls within the described exceptional and unlike circumstances outlined above, there are two ways to notify OSP so that the charges will be allowable on your grant budget:

*** At time of proposal (for non-modular and modular budgets):**

- a) FG-7 on the GC-1 is answered “yes” and the required explanation is provided in the GC-1;
- b) An adequate justification is provided in the proposal to Sponsor
- c) When award arrives, OSP will send a Funding Action (FA) to GCA indicating administrative costs are allowed.
- d) GCA will set up the budget number, indicating admin/clerical salaries are allowable, by giving Flag02 a value of “1” for that budget number.

*** After grant budget is set up:**

- a) Contact OSP Grant and Contract Coordinator (GCC). Provide the grant number, PI name, and justification for directly charging admin/clerical costs to the grant.
- b) OSP GCC will ensure original award did not specifically disallow the direct charge of admin/clerical and ensure that rebudgeting, without Sponsor prior approval, is allowable on the grant.
- c) OSP GCC will notify GCA via a Post-Award Change (PAC) that the charges are allowable.
- d) GCA will indicate that admin/clerical salaries are allowable in MyFinancial Desktop, by giving Flag02 a value of “1” for that budget number.

In all cases, the PI and department is responsible for documenting the responsibilities of the specific position and the effort devoted to the project in the departmental grant file.