

Salaries

Faculty/Staff

- When preparing a budget in InfoEd, please go to <https://web.uri.edu/research-admin/files/URI-InfoEd-Budget-Guide-10.25.21.pdf>. Look up base salary on HR listing or check with the specialist assigned to your college if you do not know what the salary is.
- Salary escalation should be 2.5% annually unless limited by the agency (i.e. NIH cap). The base salary should include two 2.5% increases to reflect the time frame between the proposal, the award and the actual charge to the grant. A 3% increase should be included for every year after 7/1/21.
- **Conversion of percentage of effort to person months is straight-forward.** To calculate person months, multiply the percentage of your effort associated with the project times the number of months of your appointment. For example:
25% of a 9 month academic year appointment equals 2.25 (AY) person months ($9 \times 0.25 = 2.25$)
10% of a 12 month calendar appointment equals 1.2 (CY) person months ($12 \times 0.10 = 1.2$)
35% of a 3 month summer term appointment equals 1.05 (SM) person months ($3 \times 0.35 = 1.05$)
10% of a 0.5 FTE 12 month appointment equals 0.6 (CY) person months ($12 \times .5 \times .1 = 0.6$)
Another example:
If the regular pay schedule of an institution is a 9 month academic year and the PI will devote 9 months at 30% time/effort and 3 months summer term at 30% time/effort to the project, then 2.7 academic months and .9 summer months should be listed in the academic and summer term blocks of the application ($9 \times 30\% = 2.7$ person months; $3 \times 30\% = .9$)
- Administrative salaries are allowed on grants provided they follow OMB's Uniform Guidance: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
Section 200.413 Direct Costs-(c) "The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:
 1. Administrative or clerical services are integral to a project or activity;
 2. Individuals involved can be specifically identified with the project;
 3. Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
 4. The costs are also not recovered as indirect costs.

These costs should be clearly addressed in the budget justification for the administrative position or supplies.

- Postdoctoral Fellowships – For salary guidance, please review the following document:
<https://web.uri.edu/research-admin/files/Postdoctoral-Fellow-Salary-Guideline-July-2021.pdf>

Graduate Stipends

- Stipends are based on the Graduate Student Rates:
<https://web.uri.edu/research-admin/files/Student-Wages-and-Tuition-Rates-2020-2026-rev-2-10-2022.pdf>
- It is best to show academic year stipend and summer stipend separately because the fringe rates are different.
- The stipends must be included in the Modified Total Direct Cost (MTDC) base. There is an exception in some RFPs such as when the stipend is for a fellowship and the RFP restricts indirect cost (this language should be uploaded to Cayuse). All fellowships are exempt from indirect costs.

Students

- Hourly student rates for grads and undergrads can be found at the bottom of the grad rates:
- <https://web.uri.edu/research-admin/files/Student-Wages-and-Tuition-Rates-2020-2026-rev-2-10-2022.pdf>

- Fringe benefits are calculated using the fringe benefit calculators for the corresponding class of employee:
https://web.uri.edu/hr/benefits/salary_ratio_home/. Please include a three percent increase from base year going forward and a three percent for every year after year 1.
- Vacant positions should be budgeted at the family plan rate.
- URI does not charge any fringe benefits on summer salary for faculty if they are a nine month appointment.
- For Information is regarding Tuition Differential please see <https://web.uri.edu/research-admin/files/Graduate-Research-Tuition-Differential-Fellowship-Policy.pdf>

Post Docs – use the Board of Governors non-classified, nonunion rates. Include all benefits.

Graduate Research Assistants – For academic year and summer, use current fringe rates found
<https://web.uri.edu/research-admin/files/Student-Wages-and-Tuition-Rates-2020-2026-rev-2-10-2022.pdf>

Students -- FICA (7.65%) is only charged on summer hours for graduate and undergraduate students. Health benefits are not applicable for undergraduates or hourly graduate students.

Equipment: (see UG 200.439)

- Must have a useful life of more than one year;
- Per unit cost should be \$5,000 or more;

- Software is never considered equipment regardless of the cost since software is frequently upgraded.
- Fabricated equipment is self-constructed equipment that should be capitalized if the total unit cost incurred to fabricate the equipment is \$5,000 or more, and the asset has estimated useful life of more than one year. Self-constructed equipment should be recorded at cost, which includes materials, and direct labor to fabricate the equipment.
- Indirect is not charged on equipment
- URI's Capitalization Policy is located here: <http://web.uri.edu/controller/files/Capitalization.pdf>

Travel:

- URI's current travel policy can be found here: <http://web.uri.edu/controller/travel/>
- The budget must break out foreign travel. Foreign travel that is not originally submitted in a proposal budget must get approval from the funding entity.
- As of January 1, 2021 \$.56. Rates fluctuate so please check the Controller's website.
- When preparing a budget you should include air and ground transportation as well as per diems for lodging, meals and incidentals.
- Domestic travel rates may be found on the following website: <http://www.gsa.gov/portal/content/104877>
- Foreign Travel Rates may be found on the following website: https://aoprals.state.gov/web920/per_diem.asp
- Verify that agencies do not disallow foreign travel.
- Travel is subject to indirect on an MTDC basis.

Participant Costs:

- All Participant support costs on federal grants are direct costs for items such as stipends or subsistence allowances, travel allowances and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with meetings, conferences, symposia or training projects.
- Funds provided for participant support may not be used by grantees for other categories of expense without the prior written approval of the federal agency. Therefore, awardee organizations must account for participant support costs separately.
- Participant support allowances may not be paid to trainees who are receiving compensation, either directly or indirectly, from other Federal government sources while participating in the project. A nonfederal employee may receive participant support allowances from federal grant funds provided there is no duplication of funding of items and provided no single item of participant cost is divided between his/her nonfederal employer and federal grant funds.

Participant costs are exempt from indirect costs for all federal agencies.

Supplies:

- Supplies are those items with a purchase price of less than \$5000/unit.
- **UG §200.453 Materials and supplies costs, including costs of computing devices.**
 - (a) Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable.
 - (b) Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms must be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs.
 - (c) Materials and supplies used for the performance of a Federal award may be charged as direct costs. In the specific case of computing devices, charging as direct costs is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award.
 - (d) Where federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.
- Supplies are subject to indirect on an MTDC basis.

Other Costs:

- Tuition is exempt from indirect cost under MTDC and includes 20% of student fees. Tuition rates can be found at: <https://web.uri.edu/research-admin/files/Student-Wages-and-Tuition-Rates-2020-2026-rev-2-10-2022.pdf>
- Subawards– the first \$25,000 on each subaward is subject to indirect on an MTDC basis. If there are two PIs at the same institution but with different scopes of work, there will be two different subawards; indirect must be charged on the first \$25,000 for both. The same criteria applied to URI budgets should be applied to the subaward budget.

Note:

The following costs are normally indirect. They may be charged directly only under special circumstances (See UG 200.402-200-410):

- Office supplies (paper, pencils, pens, markers, binders, file folders)
- Postage, including express mail
- Facilities repairs and maintenance
- Local telephone services (monthly rental)
- Automotive maintenance
- Membership dues

- General purpose equipment repairs and maintenance
- General purpose computer software

These costs may be directly charged only where they meet all of the following requirements and they are clearly justified in the budget narrative:

- The project has a special need for the item or service that is beyond the level of services normally provided.
 - The costs can be specifically identified to the work conducted under the project.
- Verify that there are no unallowable charges in the budget. Examples of unallowable expenses can be found at the end of this document. If there are any questions whether something is unallowable, please check with the Sponsored Projects Office.

Indirect Cost, Facilities and Administrative Costs, Overhead (All mean the same thing)

- Refer to URI's <https://web.uri.edu/controller/files/FA-Approved-Cost-Rates-FY20-FY23.pdf> and Facilities and Administrative Indirect Cost Overhead Rates 6/20/2019. Indirect cost will only be waived with the Vice President of Research and Economic Development's approval. PI should e-mail the Director of the Office of Sponsored Projects with the request.
- URI will waive overhead if a limitation on indirect is clearly articulated in the RFP. This should be documented in Cayuse.
- Verify that the MTDC base includes all salaries, fringe benefits, travel, supplies and other costs including the first \$25,000 of each subcontract. Equipment, participant costs, tuition and subawards over the first \$25,000 are exempt from indirect charges.
- If URI is taking a lower indirect rate than our federally negotiated rate, in certain circumstances we can use a total direct cost base instead of MTDC. Please see Director or Assistant Director with specific situations.
- The USDA indirect rate varies based on the RFP and is charged on TOTAL DIRECT COST. On the budget, please do a comparison calculation of what would have been charged at URI's federally negotiated rate on MTDC compared to the USDA rate to determine which results in lower indirect costs. For assistance with this, contact a grant specialist or the Assistant Director (Preaward) for guidance.
- DOD also had a limitation, not to exceed 35% on TOTAL DIRECT COST. At URI's current federally negotiated rate of 57.5%, DOD's limit would not be exceeded, so it is acceptable to use URI's negotiated rate. For guidance on this, contact a grant specialist or Assistant Director (Preaward).

Examples of Typically Unallowable Expenses:

J1: Advertising costs are unallowable unless they are specifically required by sponsored agreements. The recruitment of personnel required for the performance by the institution of obligations arising under the sponsored agreement, when considered in conjunction with all other recruitment cost, are allowable, as set forth in J37.

J1: Public Relations Costs are unallowable except for (1) costs specifically required by sponsored agreements, (2) cost of communicating with the public and press pertaining to specific accomplishments which result from performance of sponsored agreements or (3) cost of conducting communication and liaison necessary to keep the public informed on matters of public concern such as notices of awards, financial matters, etc.

J2: Alcoholic beverage costs are unallowable.

J3 Alumni activity costs are unallowable. If a department has expenditures directly related to Alumni activity, they must be coded as unallowable.

J4: Bad debts are unallowable.

J6: Commencement and convocation costs are unallowable. If a department has expenditures directly related to commencement or convocation, they must be coded as unallowable.

J8: Institution furnished automobile costs for personal use is unallowable.

J9: Contingency provisions are unallowable.

J11: Defense and prosecution of criminal and civil proceedings, claims appeals and patent infringement are generally unallowable. Cost incurred by the institution for defense of suits brought by its employees or ex-employees are unallowable if the institution was found liable or settled. Costs of legal, accounting, consultant services and related costs incurred with defense against government claims or appeals, or the prosecution of claims or appeals against the government are unallowable. Costs of legal, accounting, consultant and related costs, incurred in connection with patent infringement litigation, are unallowable unless otherwise provided for in the sponsored agreements.

J13: Charitable donations or contributions made by the institution regardless of the recipient are unallowable.

J15: Entertainment costs including amusement, diversion, and social activities and any cost directly or sporting events, and the meals, lodging, rental, transportation and gratuities that relate directly to the show or sporting events) are unallowable.

J17: Executive lobbying costs incurred in attempting to improperly influence, either directly or indirectly, an employee or officer of the federal government are unallowable.

J18: Fines and penalties resulting from failure of the institution to comply with federal, state, local or foreign laws and regulations are unallowable unless specifically approved by the sponsoring federal agency.

J19: Goods and services for personal use are unallowable.

J20: Officers' housing and personal living expenses are unallowable.

J22: Interest, fund raising and investment management costs are unallowable, except for costs related to the physical custody and control of moneys and securities and for interest cost paid to external parties for assets (buildings and equipment) used to support sponsored agreements.

J24: Lobbying costs are unallowable unless specifically authorized by statute.

J25: Losses on sponsored agreements (overruns) are unallowable.

J28: Membership costs in any civic, community organization, country club or social or dining club or organization are unallowable (e.g., Providence Greater Chamber of Commerce).

J31: Pre-agreement costs prior to the effective date of the sponsored agreements are unallowable unless permitted by expanded authorities or approved by sponsoring agency.

J37: Recruiting costs for help wanted advertising, special emoluments, fringe benefits and salary allowances incurred to attract professional personnel from other institutions that do not conform with the established practices of the institution are unallowable.

J42: Selling and marketing costs of products or services of the institution are unallowable.

J43: Severance costs incurred in excess of the institution's normal severance pay policy applicable to all persons employed at the institution upon termination of employment are unallowable.

J45: Student activity costs are unallowable unless specifically provided in the sponsored agreements (e.g., Student Advisory Council meetings).

J48: Airfare travel costs in excess of the lowest available commercial discount airfare or customary standard coach airfare are unallowable except in special circumstances (URI Travel Policy must be followed)