

From: COGR <cogr@usc.edu>
Date: April 10, 2009 16:30:05 CDT
To: cogr-list@usc.edu
Subject: **COGR: Direct Charging Research Admin Specialists on ARRA Grants**

As you know, on February 27 COGR wrote to the OMB Director asking for approval to charge administrative salary costs directly to research grants funded under the American Recovery and Reinvestment Act to meet the extraordinary reporting requirements of the Act. We subsequently met with OMB and other Federal officials for discussion of our proposal, and we provided data from about 20 COGR member institutions on the estimated amount of Recovery Act funding for research and the impact of direct charging research admin specialists to those grants. In transmitting the data to OMB we expressed our concern and need for a quick decision.

While we are cautiously optimistic that OMB will approve our request, we have not yet received an answer. Meanwhile, the April 27 deadline for submission of NIH Challenge Grant applications is fast approaching, and many universities are asking if they should budget for direct charging these positions. The COGR Board and I have considered this situation and believe that it is reasonable for institutions to include direct salary charges for these positions in grant applications. Sample language in each application might include the following:

Due to the extraordinary administrative oversight and reporting activities associated with awards made under the American Recovery and Reinvestment Act, this proposal includes (insert appropriate percentage of effort) salary support for the additional administrative services required by the Act should an award be issued. Regulatory support for this request is located at OMB Circular A-21 F.6. a. (2.), which states: "Direct charging of salaries of administrative and clerical staff costs may be appropriate where administrative or clerical services required by the project are significantly greater than the routine level of such services provided by academic departments."

We have already heard from a number of institutions that

agree with this position and have distributed internal guidance to departments and faculty to include a line item in Recovery Act grant budgets to cover research administrator specialist salary. Based on the survey we conducted with about 20 institutions, 10% effort seemed to be a reasonable figure, but I have heard from other institutions that they will use 5%. Obviously each institution, in deciding whether or not to take this action, will have to consider its particular financial and organizational situation and proceed accordingly.

It is our understanding from discussion of this approach with agency officials that the inclusion of such costs as a direct charge will not jeopardize the application from being selected for funding.

Please contact David Kennedy – dkennedy@cogr.edu – or myself (tdecrappeo@cogr.edu) if you have any questions.

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