JUSTIFICATION FOR THE DIRECT CHARGING OF A NORMALLY INDIRECT COST
Revised 2/1/01

In order to comply with Office of Management and Budget (OMB) Circular A-21 and Cost Accounting Standards (CAS), The University of Alabama has established certain policies for charging costs to federally sponsored projects see the Office for Sponsored Projects Cost Accounting and Other Financial Services Policies located on the web at [http://www.osp.ua.edu/c&G Policies.pdf](http://www.osp.ua.edu/c&G Policies.pdf). Unless direct charging can be justified in accordance with OMB Circular A-21, secretarial and administrative salaries, office supplies and other costs identified as normally indirect in the University’s policies will be charged as indirect costs.

**Section I: SECRETARIAL OR ADMINISTRATIVE SALARIES DIRECTLY CHARGED TO THIS PROJECT AS AN EXCEPTION TO UNIVERSITY COST ACCOUNTING POLICIES**

A. **EXCEPTIONS** to the University’s cost accounting policies may be appropriate per A-21 only where a major project or activity explicitly budgets for administrative or secretarial services and individuals involved can be specifically identified with the project or activity. “Major project” is defined as a project that requires an extensive amount of administrative or secretarial support, which is significantly greater than the routine level of such services provided by academic departments. Check the applicable boxes below which best describe the nature of the major project or activity for which you are requesting a policy exception.

- [ ] Large complex programs such as general clinical research centers, primate centers, environmental research centers, engineering research centers and other federally sponsored projects that entail assembling and managing teams of investigators from a number of institutions or units.

- [ ] Projects which involve extensive data accumulation, analysis and entry, surveying/interviewing, tabulating, cataloging, searching literature and reporting (such as epidemiological studies, clinical trials and retrospective clinical records studies).

- [ ] Projects that require making substantial travel and meeting arrangements or scheduling large numbers of program participants or subjects.

- [ ] Projects whose principal focus is the preparation and production of manuals and large reports, excluding routine progress and technical reports.

- [ ] Projects that are geographically inaccessible to normal departmental administrative services such as those conducted on seagoing research vessels or at sites that are remote from campus.

B. **PROVIDE THE FOLLOWING INFORMATION:**

Position Title(s): ________________________________________________

Employee(s) Filling Position(s) if know: _______________________________________________________

Percentage of Effort for Employee(s) Charged Specifically to this Project:__________________________

**Section II: OTHER COSTS DIRECTLY CHARGED TO THIS PROJECT AS AN EXCEPTION TO UNIVERSITY COST ACCOUNTING POLICIES**

A. **EXCEPTIONS** to the University’s cost accounting policies will be considered only under the following circumstances for direct charging of postage, basic telephone, office supplies, and computer supplies (including software). Exceptions are generally associated with large/complex projects. Requests should be identified in the budget justification and related to a major product or activity of the sponsored project. Check the box that describe the exceptions you are requesting.

- [ ] Exception to Allow a Direct Charge for Postage. Due to the high demand for postage required to perform
this project, as described in the budget justification, an exception to allow postage as a direct cost is requested. (Shipping costs that are not classified as ordinary postage are acceptable direct costs when beneficial and related directly to the project. Such shipping costs do not require this form.)

☐ Exception to Allow a Direct Charge for Basic Telephone. Due to the high level of local telephone calls necessary to perform this project, as described in the budget justification, an exception to allow direct charges for local telephone usage is requested. Local telephone charges must be allocable to the specific sponsored project. (Long distance telephone charges that are reasonable and necessary to the performance of the project may be charged directly and do not require this form.)

☐ Exception to Allow a Direct Charge for Office Supplies. Due to the high demand for these items on this project, as described in the budget justification, an exception to allow direct charges for office supplies is requested. The cost of such office supplies must be allocable to the sponsored project and specifically related to the work being performed on the project.

☐ Exceptions to Allow a Direct Charge for Computer Supplies (including Software). An exception to allow a direct charge for computer supplies is requested as such costs are directly related to the performance and benefit of the project, as described in the budget justification.

☐ Memberships and Subscriptions. An exception to allow for memberships or subscriptions is requested as the membership or subscription is specifically related to the performance and benefit of the project, as described in the budget justification.

Section III: REQUIRED NARRATIVE: For new and renewal proposals, this information must be detailed in the proposal’s budget justification. You do not need to provide a duplicate explanation, as the budget justification must demonstrate relatedness to the project. If this form is not part of a proposal package including a budget justification, a detailed narrative of the proposed exception is required (attach).

Section IV: Important: These exceptions, even though explained in a proposal’s budget justification section, may not be supported in an audit as the agency relies on the University to follow its own policy for charging costs directly or indirectly to federally sponsored projects before requesting charging of these costs. Clear evidence of the job responsibilities (for the employee/title listed in Section I. B. above) must be specifically related to the technical and/or program aspects of the grant. Other expenditures for which exceptions are requested must be directly related to performance and benefit of the project. By signing below, the Principal Investigator, Department Chair and Dean/Director agree to ensure that full compliance in this matter is both achieved and maintained.

Signatures:

Agreed: __________________________________________ Date: ______________

Principal Investigator

Agreed: __________________________________________ Date: ______________

Department Chair/Center Director

Agreed: __________________________________________ Date: ______________

Dean of the College or Designee

Document Prepared By: ______________________________ Telephone: ______________

UPON COMPLETION, PLEASE FORWARD THIS DOCUMENT TO THE OFFICE FOR SPONSORED PROGRAMS IN 152 ROSE.

Agreed: __________________________________________ Date: ______________

Office for Sponsored Programs