

Formula Grants Policies

As of October 2009

COST	POLICY	COMMENT
Appointments (other types)	<ul style="list-style-type: none"> Project Assistants, Post-Doc Appointments, and Technicians are <i>typically unallowable</i> on Formula grants. Faculty/Academic Staff appointments are <i>unallowable</i> on Animal Health grants. 	If an individual is being paid on a Formula Funded project, the individual MUST be working on the project. Justifications may be requested at any time.
Binding (Thesis) / Poster	<ul style="list-style-type: none"> <i>Unallowable Cost</i> 	
Books	<ul style="list-style-type: none"> <i>Typically unallowable Cost</i> <i>Justification required for exception to Cost Accounting Standards, A-21</i> 	Requests to purchase research books will require a strong justification. Justifications must be submitted to Jennifer Pang at jpang@cals.wisc.edu for prior approval and include identification of matching funds for the purchase (amount and Fund-Project number of matching funds must be provided).
Capital Equipment \$5,000 and over	<ul style="list-style-type: none"> <i>Prior Approval Necessary</i> from WAES See RSP definition of “equipment” Equipment purchases in the last year of a project are <i>unallowable</i>. 	Requests should be sent by email to Angie Seitler at aseitler@cals.wisc.edu . The email should include a request to rebudget with justification and identification of matching funds for the purchase (amount and fund-account number of matching funds must be provided). Equipment purchases cannot be made in the last year of a project.
Carryover of Unobligated Funds	Carryover of unobligated funds <i>unallowable</i> for Formula Grant awards.	
Change in Scope/Objectives	<ul style="list-style-type: none"> <i>Prior Approval Necessary</i> from USDA 	Letter must be initiated by PI, signed by PI and department chair, and submitted to Angie Seitler at aseitler@cals.wisc.edu .
Change in PI	<ul style="list-style-type: none"> <i>Prior Approval Necessary</i> from USDA 	Letter must be initiated by PI, have PI, and department chair signature, and submitted to Angie Seitler at aseitler@cals.wisc.edu .
Computer Access Charges	<ul style="list-style-type: none"> <i>Unallowable Cost</i> <i>Justification required for exception to Cost Accounting Standards, A-21</i> 	Access charges for daily operations is <i>unallowable</i> . Exceptions must be reviewed and approved by Angie Seitler at aseitler@cals.wisc.edu or designee prior to incurring the charge.
Computer/Printer Purchases	<ul style="list-style-type: none"> One computer and printer over the life of a project if required to conduct the research is <i>allowable</i>. Formula funding can be used to fund up to one-half the purchase price. Computer/printer purchases are <i>unallowable</i> in the last year of a project. 	Angie Seitler and/or designee must approve all requests to use Formula funding to purchase computers/printers. The request should be sent by email to Jennifer Pang at jpang@cals.wisc.edu and should include a justification of need, a request to rebudget if required, and identification of matching funds for one-half the cost of purchase (amount and Fund-Project number of matching funds must be provided). Upon approval, a requisition can be processed.

Computer/Printer Accessories, Software, Memory (RAM), Hard drives	<ul style="list-style-type: none"> • <i>Usually Unallowable Cost</i> • <i>Justification required for exception to Cost Accounting Standards, A-21</i> 	<p>If these items are crucial to carry out the project, a request with strong justification should be sent by email to Jennifer Pang at jpang@cals.wisc.edu. A general list of these types of accessories are, but not limited to: software, memory (RAM), hard drives, DVD burners, and projectors. Projector requests must provide identification of matching funds for one-half the cost of purchase.</p>
Copy Costs	<ul style="list-style-type: none"> • A maximum of \$400/year is <i>allowable</i> for research related copy costs (copy chargebacks) unless survey costs were included and approved in the original proposal. 	<p>If there is a need to exceed the maximum, a request and justification must be submitted to Jennifer Pang at jpang@cals.wisc.edu for approval prior to exceeding the maximum.</p>
Equipment under \$5,000	<ul style="list-style-type: none"> • <i>Prior Approval Necessary</i> from WAES • See RSP definition of “equipment” • Equipment purchases in the last year of a project are <i>unallowable</i>. 	<p>The request should be sent by email to Angie Seitler at aseitler@cals.wisc.edu. The email should include identification of matching funds for the purchase (amount and fund-account number of matching funds must be provided).</p>
Human Subject Incentive Payments	<ul style="list-style-type: none"> • <i>Unallowable Cost</i> 	
LTE Hourly (excludes student hourly labor)	<ul style="list-style-type: none"> • <i>Typically unallowable</i> • <i>Prior Approval Necessary</i> from WAES 	<p>Wages and related fringes for Limited Term Hourly require prior written approval with justification.</p>
Printing/Publication/Distribution Costs	<ul style="list-style-type: none"> • Publication and distribution costs that are a direct result of a project are <i>allowable</i>. 	<p>Expenses associated with providing editorial assistance are considered legitimate publication costs. See “Formula Grants FAQs” for required USDA support acknowledgement and disclaimer to be used in all publications</p>
Purchasing Card/Direct Charges	<ul style="list-style-type: none"> • Purchasing card and direct charges are <i>allowable</i> if detailed documentation can be provided which includes dates of service, item description, and cost. 	<p>Submit to Jennifer Pang, 240B Agricultural Hall, for review and approval if allowable.</p>
Rebudgets	<ul style="list-style-type: none"> • <i>Prior Approval required</i> • <i>Written justification required</i> • <i>Fringes and Capital Exercise rebudget not allowed to other categories</i> 	<p>Up to 2 months of Research Assistant annual salary only to supplies, student hourly wages and/or travel. Rebudget allowable between Student Hourly labor, Supplies, and/or Travel.</p>
Recruitment Costs	<ul style="list-style-type: none"> • <i>Typically unallowable</i> • <i>Justification required for exception to Cost Accounting Standards, A-21</i> 	<p>Cost to advertise for recruiting human subjects is allowable. NOT ALLOWABLE is graduate student recruiting costs.</p>
Research Assistant Appointments	<ul style="list-style-type: none"> • Formula Grant programs allow up to one 50% Research Assistant per month allowed • <i>Prior Approval Necessary</i> for deviations from appointment. • <i>Prior Approval Necessary</i> for appointments below or above a 50% time level total for the year. 	<p>Unused RA salary savings and associated fringe benefits will be pulled back to the Research Division’s administrative control on a quarterly basis. Exceptions must be made in writing to Angie Seitler at aseitler@cals.wisc.edu with justification by the principal investigator. Expenditures may not be made until approved by the Research Division. Requests to rebudget the RA salary to supplies, student hourly, and/or travel will only be granted for 2 months of a year’s time. The associated fringe benefits will be pulled back to the WAES and will not be rebudgeted to another category when moving RA salary.</p>

Research Related Supplies	<ul style="list-style-type: none"> • A maximum of \$400/year is <i>allowable</i>. • General office supplies are <i>unallowable</i> expenses (unless related to direct research costs approved in the original proposal). 	If there is a need to exceed the maximum, a request and justification must be submitted to Jennifer Pang at jpang@cals.wisc.edu for approval prior to exceeding the maximum.
Subscriptions/Memberships	<ul style="list-style-type: none"> • <i>Unallowable</i> • Subscription costs directly related to the research when the subscription provides datasets available only to subscribers may be allowed. • Professional memberships are not allowed unless they are coupled with a subscription that provides datasets and which does not allow a subscription purchase without membership. 	Requests with justifications for subscriptions and memberships must be submitted to Jennifer Pang at jpang@cals.wisc.edu for review and approval if allowable.
Telephone/Communications Charges	<ul style="list-style-type: none"> • ONLY telephone charges relating to the Formula Grant are <i>allowable</i>. • All other types of local telephone and yearly line rental cost are <i>unallowable</i> and should be treated as an indirect cost (overhead, F&A), per OMB Circular A-21 guideline F.6.b.(3) and J.18.a (4). 	Allocated telephone charges must be processed via a non-salary payment transfer request and a copy of the phone bill with the telephone calls relating to the project highlighted. The transfer form and attachments must be submitted to Jennifer Pang, 240D Agricultural Hall, for approval/processing.
Travel	<ul style="list-style-type: none"> • Travel for data collection is <i>allowable</i>, but <i>prior approval necessary</i>. • Multi-state travel is <i>allowable</i> for appointed WI representative. • Travel to meeting/conferences <i>are unallowable</i> that are not part of an approved Multistate effort. 	Justification of the travel will be required when submitting receipts for review and approval. Substitute WI representative for Multi-state travel requires prior written approval by the Angie Seitler at aseitler@cals.wisc.edu or designee.
Tuition Remission	<ul style="list-style-type: none"> • <i>Unallowable Cost</i> 	
Vehicle Maintenance and Repair Costs	<ul style="list-style-type: none"> • <i>Usually unallowable Cost</i> • <i>Justification required for exception to Cost Accounting Standards, A-21</i> 	Requests for vehicle maintenance and repair cost will require a strong justification and must be submitted to Jennifer Pang at jpang@cals.wisc.edu for prior approval.