
1. Policy Statement

As the recipient of a sponsored award, the University is obligated to ensure compliance with governing laws, regulations and terms and conditions of the award. In addition, the University is responsible for adhering to specific cost principles set forth in federal law that demand that all reimbursed costs be reasonable, allowable and allocable and that such costs be charged as either direct or indirect (F&A) costs. Materials and supplies, including computing devices, used for performance of a sponsored program may be charged as direct costs.

2. Reason for Policy

Prior to the release of the Uniform Guidance, the Federal Government considered computing devices as general purpose equipment that were normally unallowable as direct cost on Federal awards. The PIs could gain the sponsor's approval to direct-charge computing devices but were required to demonstrate that these devices were not administrative in nature, that they were project specific, and dedicated solely to the sponsored project. Federally sponsored awards with a start date of 12/26/14 or later may include costs for computing devices in accordance with the Uniform Guidance.

3. Who Should Read this Policy

All members of the Rutgers University community who are responsible for sponsored program administration should read this policy.

4. Definitions

Computing devices are machines used to acquire, store, analyze, process and publish data and information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. Examples of computing devices are laptop computers, desktop computers, tablets, iPads, e-readers, printers and external hard drives. Cellular phones, including those with computing and internet capability (e.g. Smart Phones) are specifically excluded from the definition of computing devices.

Equipment has been defined by the University as an article of non-expendable, tangible property with a useful life of more than a year and an acquisition cost of \$5,000 or more.

Supplies means all tangible personal property with a useful life of less than one year or an acquisition cost of less than \$5,000. A computing device is a supply if the acquisition cost is less than \$5,000, regardless of the length of its useful life.

Principal Investigator (PI) (sometimes referred to as **Project Director**) most often is a faculty member who submitted a proposal that was funded by an external sponsor. The PI has primary responsibility for technical compliance, completion of programmatic work, and fiscal stewardship of sponsored funds.

5. Policy and Procedure

Computing devices that cost less than \$5,000 may be direct charged to a federally-sponsored program, provided that the following circumstances are met:

1. The device is essential and allocable to the project in that it is necessary to acquire, store, analyze, process, and publish data and other information electronically, including printing, transmitting and receiving, and storing electronic information
2. The project does not have reasonable access to other devices or equipment that can achieve the same purpose; devices may not be purchased for reason of convenience or preference.

Computing devices do not need to be solely dedicated to the performance of a project to be charged directly to that project. PI's are responsible for determining if a device is essential to a project and to what extent the cost of the

device is allocable to a particular sponsored project budget. One device may be apportioned to more than one project depending on its use in each project.

The device(s) should be detailed in the project budget and in the budget justification with an explanation of how the device is essential and allocable to the project. In the case of modular budgets, the PI and his/her department must provide a written justification to ORSP for the computing device.

Given that the device must be essential to the completion of a project, the device must be purchased in the beginning stages of the project (for example, within the first year of a multi-year project) and not at the end of the project. Costs for items purchased at the end of a sponsored project will be disallowed, unless sponsor approval is obtained for such costs.

Computing devices costing more than \$5,000 per unit are considered equipment and must be specifically approved by the sponsor to be directly charged to a given project.

Computing devices purchased as a supply are subject to full F&A charges by the University in the sponsored project. Computer devices categorized as equipment are not charged F&A when a Modified Total Direct Cost base is used for calculating F&A.

If a computing device is purchased with sponsor or University funds, the device is the property of the University and should be retained by the department after the end of the award for ongoing research activities, or for disposal in accordance with the University Policy (note Policy 30.4.3, Section II "Sponsored Programs Surplus Property").

Non-federally Sponsored Projects: Some non-federal sponsors may have specific requirements for direct charging of computing devices. In general, direct charging of computing devices to a non-federally sponsored project is appropriate if the computing device benefits the sponsored project. Requirements for the computing devices and the need to direct charge these devices must be justified in proposals.

6. Roles and Responsibilities

Principal Investigator (PI) identifies the need to include appropriate computing devices costs on a sponsored program.

Department Administrator assists the PI in budgeting for and tracking computing devices costs in accordance with University policies and sponsor commitments and requirements.

Office of Research and Sponsored Programs (ORSP) provides expert advice on charging of computing devices costs per applicable sponsor requirements and University policies, and assists the PI/Department Administrator with obtaining prior approval from the sponsoring agency.

Grant and Contract Accounting (GCA) coordinates with ORSP to ensure that computing devices costs are charged in accordance with sponsor requirements.

The matrix below outlines the high-level roles and responsibilities involved for charging of computing devices:

Charging of Computing Devices	Roles				
	Principal Investigator	Department Administrator	ORSP	GCA	
Responsibilities					
Identifies the need to include computing devices in a sponsored program	X				
Assists PI with the explicit inclusion of computing devices in the budget and budget justification for the Rutgers proposal to the sponsor		X			

Charging of Computing Devices (continued)	Roles				
Responsibilities	Principal Investigator	Department Administrator	ORSP	GCA	
Ensures ORSP has all required computing devices information and documentation for proposal submission		X			
Reviews computing devices information for compliance with sponsor regulations and University policy during proposal submission			X		
Reviews computing devices information in the award document and confirms that all adequate budgetary information is provided			X		
Includes budgetary detail for computing devices during award setup			X	X	
Monitors computing devices expenditures during the course of the award		X			
Reports computing devices expenditures to the sponsor per requirements and ensures that charges are reasonable, necessary, allocable and allowable				X	
Investigates any non-compliant charging of computing devices and remediates appropriately				X	

7. Related Documents

- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Final Guidance (including [§ 200.453 Materials and supplies costs, including costs of computing devices](#))
- Rutgers University Policy Library: [30.4.3 Surplus Property](#)

8. Contacts

- Office of Research & Sponsored Programs, (848) 932-0150, sponpgms@orsp.rutgers.edu
- Grant and Contract Accounting, (848) 932-0165, dqca1@rci.rutgers.edu