



Overview

This resource provides a framework for Rutgers University researchers to understand when they must obtain advance written authorization from a federal sponsor before incurring specific costs or taking certain actions. It is intended as a general resource rather than a comprehensive list.

Important

- Carefully read the award agreement and all terms and conditions to determine prior approval requirements or waivers specific to a particular award.
- All individuals involved must abide by applicable University policies and procedures.
- Explicit inclusion of the items below in the NOGA or the approved budget may be congruent with obtaining Prior Approval. If inclusion is after-the-fact, separate written approval is required.
- Please contact your ORSP Grant Specialist for assistance.

Uniform Guidance - Prior Approval Requirements for Federal Awards

Prior approval, as used in this guidance, means the advance written approval of a specific cost or action to a particular federal award, by an authorized official of the sponsoring entity. Written approval must be in the form of a letter/memo provided as an email attachment or hard-copy from the authorized official; verbal approval during a telephone or in-person conversation is not sufficient. For Federal awards, the authorized official is typically a sponsor Grants Management Officer (GMO) assigned to the award.

The revised [Uniform Guidance \(UG\): Guidance for Federal Financial Assistance](#), effective as of October 1, 2024, contains many of the same prior approval requirements included previously in OMB Circulars A-110 and A-133. Uniform Guidance [§ 200.407](#) contains a complete list of items related to seeking prior approval by the Federal agency. The table below provides general guidance for some of those items and is not intended to be comprehensive.



Allowable or Unallowable Items (Depending on the Application) Associated with Prior Approval			
Item (Alphabetical Order)	Description	Prior Approval Required for	Policy Reference
Memberships, Subscriptions, & Professional Activity Costs	<p>Generally allowable, including:</p> <ul style="list-style-type: none"> Costs of membership in business, technical, and professional organizations. Costs of subscriptions to business, professional, and technical periodicals. <p>Generally unallowable, including:</p> <ul style="list-style-type: none"> Costs of membership in any country club or social or dining club or organization. Costs of membership in organizations whose primary purpose is lobbying. 	Costs of membership in any civic or community organization.	Uniform Guidance: § 200.454 (c)



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Generally Allowable Items Associated with Prior Approval			
Item (Alphabetical Order)	Description	Prior Approval Required for	Policy Reference
Cost Sharing	<ul style="list-style-type: none"> Generally allowable, with stipulations: Voluntary committed cost sharing (specifically effort that is not paid for by the sponsor) is not expected unless specified in the notice of funding opportunity. Mandatory cost sharing is required for consideration of the funding proposal and specified in the project budget. Cost sharing (including third-party contributions and donations) must be verifiable by Rutgers' records, specific to the individual award, necessary and reasonable for accomplishing project objectives, allowable per cost principles, and included in the project budget when required. 	<ul style="list-style-type: none"> Unrecovered indirect costs due to differences between the awarded indirect cost rate and Rutgers' standard negotiated indirect cost rate. This does not apply if the sponsor does not allow the federally negotiated rate. Changes in the amount of approved committed cost-sharing or matching. 	<p>Uniform Guidance: § 200.306 (c) § 200.308 (c) (7)</p> <p>Rutgers: Policy</p>
Direct Costs: Computing Devices	<p>Generally allowable, with stipulations:</p> <ul style="list-style-type: none"> Computing devices are essential and allocable, but not solely dedicated, to the performance of an award. 	<p>Prior approval is not explicitly required by UG, but such devices should be included in the project budget. Consultation with ORSP is advisable.</p>	<p>Uniform Guidance: § 200.453</p> <p>Rutgers: Policy</p>



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Generally Allowable Items Associated with Prior Approval			
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Exchange Rates	Generally allowable but certain actions require prior approval.	Cost increases due to fluctuations in exchange rates, subject to availability of Federal funding.	Uniform Guidance: § 200.440
Pre-Award Costs	<p>Generally allowable, with stipulations:</p> <p>Costs incurred prior to the effective date of the Federal award directly pursuant to the negotiation and in anticipation of the Federal award are:</p> <ul style="list-style-type: none"> • Allowable per award letter terms and conditions • Necessary for efficient and timely performance of the SOW • Allowable only to the extent that they would have been • allowable if incurred after the effective date. • Incurred up to 90 days prior to the effective date. 	Preaward costs incurred more than 90 days prior to the effective date.	Uniform Guidance: § 200.458 § 200.308 (e)(1)



Generally Allowable Items Associated with Prior Approval			
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Travel Costs	<p>Generally allowable, with stipulations:</p> <ul style="list-style-type: none"> Expenses for transportation, lodging, subsistence, and related items incurred by employees traveling for official Rutgers business specifically related to the Federal award may be charged, provided that such costs are: <ul style="list-style-type: none"> Charged via a consistently applied method (actual / per- diem / mileage / combination basis) for the entire trip and not for selected travel days. Reasonable and consistent with those normally allowed in accordance with Rutgers’ written travel reimbursement policies (please note that RU Policy excludes reimbursement for dependent care costs). Short term travel visa costs which are critical and necessary to the conduct of the project, allowable and defined as “direct costs” under cost principles. 	<p>Travel costs of officials covered by § 200.444 ”General costs of government” when they are specifically related to the Federal award.</p> <p>Other travel costs such as foreign travel or recruiting costs often require prior approval per sponsor guidelines. Please review specific sponsor guidelines along with UG § 200.474 and § 200.463 before incurring such costs.</p>	<p><u>Uniform Guidance:</u> § 200.474 (a) § 200.463 Rutgers: Policy</p>



Generally Unallowable Items Associated with Prior Approval

Item (Alphabetical Order)	Description	Prior Approval Required for	Policy Reference
Direct Costs – Administrative & Clerical Salaries	<p>Generally unallowable as direct costs without prior approval.</p> <ul style="list-style-type: none"> Salaries of Administrative and Clerical personnel are typically already recovered as part of Rutgers’ indirect cost rate. 	<p>Administrative and Clerical salary charges included as direct costs, with stipulations that such personnel costs are:</p> <ul style="list-style-type: none"> Integral to a project/activity (≥ 25% FTE per RU Policy) Specifically identified with the project/activity. Explicitly included in the project budget. Not also recovered as indirect costs. 	<p>Uniform Guidance: § 200.413 (c) Rutgers: Policy</p>
Entertainment Costs	<p>Generally unallowable, including:</p> <ul style="list-style-type: none"> Entertainment costs related to amusement, diversion, and social activities and associated costs. 	<p>Entertainment costs which have a programmatic purpose.</p>	<p>Uniform Guidance: § 200.438</p>
Equipment & Other Capital Expenditures	<p>Generally unallowable without prior approval.</p>	<ul style="list-style-type: none"> General purpose equipment, buildings, and land. Special purpose equipment with a unit cost of ≥ \$5,000 Improvements to land, buildings, or equipment which materially increase their value or useful life. 	<p>Uniform Guidance: § 200.439(b)(1) § 200.439(b)(3)</p>



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Fund Raising & Investment Management Costs	<p>Generally unallowable, including:</p> <ul style="list-style-type: none"> Costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions. 	Specific fund raising costs for the purposes of meeting the Federal program objectives.	Uniform Guidance: § 200.442 (a)
Participant Support Costs	Generally unallowable without prior approval.	<ul style="list-style-type: none"> 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 conferences, or training projects. Transfer of funds budgeted for participant support costs to other categories of expense. 	Uniform Guidance: § 200.456 § 200.308 (c)(5)
Program Income	<p>Generally unallowable, without prior approval.</p> <p>Other unallowable as program income (treated elsewhere):</p> <ul style="list-style-type: none"> Taxes, special assessments, levies, and fines. Proceeds from the sale of real property or equipment. 	<p>Prior approval is generally required for Institutions of Higher Education such as Rutgers.</p> <p>If prior approval is obtained, follow the relevant guidelines per award agreement and Uniform Guidance: §200.307.</p>	Uniform Guidance: §200.307



Generally Allowable Items Associated with Prior Approval

Item (Alphabetical Order)	Description	Prior Approval Required for	Policy Reference
<p><u>Revisions to Budget & Program Plans</u></p>	<p>Generally unallowable without prior approval, with exceptions for:</p> <ul style="list-style-type: none"> • One-time extension of the period of performance by up to 12 months, provided that: <ul style="list-style-type: none"> • The extension is not prohibited by terms and conditions of the award, does not require additional Federal funds, does not involve a change in the approved objectives or scope of the project, and is not being exercised merely for the purpose of using unobligated balances. • Written notification (including supporting reasons and revised period of performance) is given to the Federal awarding agency at least 10 calendar days before the end of the period of performance specified in the award. • Pre-award costs up to 90-days prior to the effective date of the award (see section above). • Carry forward of unobligated balances to subsequent periods of performance unless prohibited by the award agreement. 	<ul style="list-style-type: none"> • Extension of the period performance other than the one-time extension described previously (see column to the left). • Change in the scope or the objective of the project. • Change in key personnel. • Disengagement from the project for more than three months, or a 25% reduction in time devoted to the project by the project director or principal investigator. • Inclusion of costs that require prior approval in accordance with Subpart E- Cost Principles. • Transfer of funds budgeted for participant support costs to other expense categories. • Subawarding, transferring or contracting out of any work under a Federal award • Changes in the amount of approved cost-sharing or matching 	<p><u>Uniform Guidance:</u> § 200.308</p>