PROCEDURAL STATEMENT

Procedural Statement Title: Inclusion of Memberships, Subscriptions and Professional Activity Costs on Sponsored Projects

Functional Area: Research Administration

Related Policy: Cost Principles Policy

Effective Date: 7/1/2016 in accordance with Uniform Guidance regulations effective for new funding received after 12/26/2014

Approved by: Laura Ragin, AVC and Controller, CU Boulder

Responsible Office: Sponsored Projects Accounting (SPA), a division of the CU Boulder Campus Controller’s Office

Reason for Procedural Statement: To establish direct charging procedures for sponsored projects in like circumstances. To determine if an unlike circumstance exists, see: Direct Charging to Sponsored Projects in Like and Unlike Circumstances.

I. PROCEDURAL STATEMENT

This document is intended to serve as formal guidance for CU Boulder regarding the use of funds from sponsored projects for memberships, subscriptions, and professional activities in like circumstances. The university is committed to ensuring costs incurred in support of sponsored research are allowable, reasonable, and allocable to a particular sponsored award, as defined by U.S. Office of Management and Budget’s Uniform Guidance (2 CFR §200.403-405); are in compliance with sponsor requirements; and are administered consistently across the campus for all sponsored research. Procedural statements support the CU Boulder Cost Principles Policy by providing definitions and processes for meeting those standards in like circumstances.

II. DEFINITIONS

CU Boulder defines memberships, subscriptions, and professional activities as:

Memberships are fees or dues paid for an individual or an institution to join a technical, business, or professional organization for a specific length of time.

Individual memberships are associated with, and provide benefits to, a single person only

Institutional memberships are associated with, and provide benefits to, an entire non-federal entity (CU Boulder)

Subscriptions are payments in exchange for receiving technical, business, or professional periodicals or access to information (ex. inter-library searches or national DNA database).

Professional activities are intended to enhance an individual’s professional development, including obtaining skills and qualifications in order to progress in his/her career.
III. PROCEDURES

A. Federal Awards

Institutional

Under the guidelines imposed by the U.S. Office of Management and Budget’s Uniform Guidance (2 CFR 200.454), costs for institutional memberships in business, technical, and professional organizations and institutional subscriptions to business, technical, and professional periodicals are allowable. While the Uniform Guidance allows institutional memberships and subscriptions, it is extremely difficult to allocate an institutional membership or subscription directly to a particular sponsored project. Therefore, it is CU Boulder’s position that institutional memberships and subscriptions may not be charged to federal awards. It is also CU Boulder’s position that sponsor approval is required prior to charging professional activity costs to a federal award.

Individual

Individual memberships and subscriptions are not allowable. The exception for individual memberships is when CU Boulder receives an award with an institutional allowance, and the Federal agency specifically allows direct charging of individual dues, or memberships, or subscriptions. In these cases, memberships, subscriptions, and professional activity costs may be charged directly to a sponsored project. Examples of these types of awards include NIH or NASA fellowships, training projects, or any other type of award with an institutional allowance. The membership, subscription, or professional activity cost should directly benefit the fellow or participant.

B. Non-Federal Awards

Section 2 CFR 200.403(c) of the Uniform Guidance requires that we apply our policies and procedures uniformly to both federally-financed and other activities of the university. Therefore, CU Boulder’s Cost Principles Policy and related procedural statements are also applicable to non-Federal awards. The basic criteria for membership, subscription, and professional activity costs are similar for non-Federal sponsored projects, but it is also important to be familiar with the particular requirements or restrictions of each non-Federal sponsor. When allowed by the non-Federal sponsor, a written justification for the inclusion of membership, subscription, and professional activity costs should be provided in order to explain why these are necessary to fulfill the research objective of the project, and to ensure that the cost directly benefits the project being charged, even when the non-Federal sponsor may follow more flexible spending guidelines.

C. Process

At Proposal

The only time that costs for dues, memberships, subscriptions, or professional activities will be included on a Federal proposal is when the sponsor specifically allows these types of costs through an institutional allowance, or other identified support for career development.

Some non-Federal sponsors may allow dues, membership, subscriptions, and professional activity costs to be direct charged. Review of the requirements and restrictions of the non-Federal sponsor is required to ensure allowability. If allowable, these costs should be identified in the proposal budget justification as to why they are necessary and allocable to the performance of the award. Inclusion in the budget justification is intended to enable the sponsor to review and concur with the need for the costs. Written justification and approval is meant to prevent questions regarding the allowability of costs in the event of an audit.
After an Award is Funded

Typically, when CU Boulder receives an institutional allowance, it is coded to account code 460000 - Operating Expenses General Budget in the finance system. Review of the award document may be necessary to confirm that an institutional allowance was received. In addition, sponsor requirements and restrictions related to institutional allowances should be reviewed to ensure the institutional allowance may be used for these types of costs.

Not every cost can be anticipated at the time of proposal preparation. In the event that an unbudgeted (not specifically identified in the budget justification submitted with the proposal) membership, subscription, or professional activity cost is required after a non-Federal award is funded, the PI or department administrator should work directly with their SPA Grant Accountant to document the necessity and benefit of the cost. If sponsor approval is required, the OCG Grant Officer or Contract Officer will contact the sponsor for approval. The sponsor approval (if required), as well as the written justification explaining the need and benefit of the cost to the specific project, will be retained by the department and in Boulder eRA (BeRA) for future reference should the expenditure be questioned at a later date.

D. Frequently Asked Questions

**Question:** I received an NSF award including participant support costs. The budget for participant support includes stipends and an institutional allowance. May I charge membership fees for the participants to the participant support project?

**Answer:** Yes, you may charge membership fees to the participant support project if there is budget available from the institutional allowance, and if the membership fees are in support of the participants. The institutional allowance may not be used to pay membership fees for the PI or other CU Boulder faculty or staff. It is not allowable to charge membership fees to NSF participant support awards that do not have an institutional allowance.

**Question:** I am attending a conference to present research related to my Federal award. Membership is required to attend the conference and provides a discount on the registration fee. May I charge the membership fee to the sponsored project?

**Answer:** No. Individual membership fees are not allowed on Federal awards. These types of costs are considered indirect costs covered by F&A. The membership can be purchased first on a separate transaction with non-sponsored funds, and then a second transaction can be made to pay only the conference registration fee with sponsored project funds.

**Question:** I have an appointment on an NIH training grant at CU Boulder. I would like to travel to Georgia Tech for specialized training related to my research and charge the cost of the travel to the training grant. Is this an allowable professional activity cost?

**Answer:** Yes, with prior written approval from NIH, costs for travel and registration fees for the specialized training are allowable professional activity costs on the training grant.