

New

**Florida Atlantic University
Division of Research
CAS 502 Exception Form**

For Research Acctg Only

Additional

This form, along with the complete proposal package, which includes the Pre-Award Routing Sheet, Patent Policy, Disclosure of Financial Conflict of Interest, and Institutional Contribution Statement (if applicable), should be submitted to Research Accounting with sufficient time to allow for review and any necessary corrections.

PI _____ Date _____

Project Title _____

Sponsor _____ (Federal, Federal Flow-Through, and related Cost Share Accounts only.)

___ New Proposal ___ Amendment ___ Existing Award, FAU Acct. # _____

Section I. Request to Charge Administrative and Clerical Salaries as Direct Costs:

For approval, one of the following "Major Projects" must exist in the proposal's Scope of Work. Please check the "Major Project" that is applicable.

- ___ 1. Large, complex programs such as General Clinical Research Centers, Primate Centers, Program Projects, environmental research centers, engineering research centers, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions.
- ___ 2. Projects which involve extensive data accumulation, analysis and entry, surveying, tabulation, cataloging, searching literature, and reporting (such as epidemiological studies, clinical trials, and retrospective clinical records studies).
- ___ 3. Projects that require making travel and meeting arrangements for large numbers of participants, such as conferences and seminars.
- ___ 4. Projects whose principal focus is the preparation and production of manuals and large reports, books and monographs (excluding routine progress and technical reports).
- ___ 5. Projects that are geographically inaccessible to normal departmental administrative services, such as research vessels, radio astronomy projects, and other research field sites that are remote from campus.
- ___ 6. Individual projects requiring project-specific database management, individualized graphics or manuscript preparation; human or animal protocols; and multiple project-related investigator coordination and communications.

For approval, please attach a copy of the proposal budget including the following information on the administrative and/or clerical employee(s) to be charged as a direct cost to the project:

- Name and title
- Percent of effort (at least 25% FTE)
- Period of time employee(s) will work on project
- Dollar amount of salary and benefits
- Duties to be performed that will advance the scientific, technical, and/or programmatic requirements of the Scope of Work

Section II. Request to Charge Non-Labor Administrative Costs as Direct Costs:

For approval, check each Budget Pool requested. Specify the Amount and identify the Expense Item(s). For Justification, include a "**detailed explanation**" of why the item is necessary for the project. Normally these items are classified as indirect costs on federal awards, therefore please **attach authorization from the sponsor**.

**Florida Atlantic University
Division of Research
Directions to Complete the
CAS 502 Exception Form**

This form is used to support a direct cost that is normally treated as an indirect cost. Cost Accounting Standard 502 and OMB Circular A-21, Section F.6.b, establish the cost principle that certain expenses should normally be treated as indirect costs. FAU's Costing Policy states that the following items are typically treated as indirect costs:

1. Administrative and Clerical Salary
and the following Non-Labor Administrative Costs:
 2. Office Supplies
 3. Postage
 4. Local Telephone Costs
 5. Memberships/Subscriptions
 6. General Purpose Equipment
 7. General Purpose Software

Certain circumstances exist that allow the above expenses to be charged as direct costs to a Federal award. For Administrative and Clerical Salary, the circumstance is called a "Major Project". For the Non-Labor Administrative Costs, the situation is called "special circumstances". When these situations exist, the PI should complete this form and submit it along with the complete proposal package to Sponsored Research to request approval to charge these items as direct costs.

This form should be used only for proposals submitted to Federal and Federal Flow Through agencies, along with any related Cost Share Accounts. Non Federal agencies are not subject to OMB Circular A-21 or the Cost Accounting Standards. Therefore, proposals submitted to Non Federal agencies do not require this form.

A "Major Project" is defined by OMB Circular A-21, Section F 6 b (2) as a project that requires an extensive amount of administrative or clerical support, which is significantly greater than the routine level of such service provided by an academic department. For the clerical and administrative salaries to be allowable on a Federal award, one of the "Major Projects" must exist in the Scope of Work of the project. The box should be checked on the form to indicate the circumstance that applies to the proposed project. The circumstance should be consistent with the Scope of Work of the project.

"Special Circumstances" exist when a cost meets the following criteria:

1. the cost meets the definition of a direct cost in that it can be specifically identified with the objectives of the project (Scope of Work) with relative ease and a high degree of accuracy.
2. the expense item is used for a purpose other than the normal University operations and requires support, which is greater than the routine costs that an academic department typically provides.
3. the expense item is included in the proposal budget and budget justification.
4. If the need for the cost is realized during the life of the project, the PI may request approval from Sponsored Research for the expense item to be charged to the project as a direct cost using the CAS 502 Exception Form. Sponsored Research will determine if it is necessary to obtain prior written approval from the Federal sponsor.

When "Special Circumstances" exist, the PI can use the CAS 502 Exception Form to request approval to charge the expense item as a direct cost to the Federal award, as opposed to the typical allocation method, which is treating the expense item as indirect costs.

The signatures are required for documentation of the approval of the PI, Department Chair, and College Dean or his/her designee. If Sponsored Research approves the form and if the funds are awarded and the sponsor approves the proposed budget (or does not expressly disapprove any of the expense items included in the proposal budget), these expense items are deemed to be Exceptions to Cost Accounting Standard 502 and allowable as direct costs on the Federal award.

For more information regarding the allowability of costs on Federal awards, please go to www.fau.edu/research/ocg. If you have questions concerning this form, please contact your Sponsored Research Representative.