

Guidance on Direct Charging Computers and Other Information Technology Devices to Sponsored Projects (Updated 3/12/20)

Definitions per 2 CFR 200 (Uniform Guidance):`

§200.20 Computing devices.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. See also §§200.94 Supplies and 200.58 Information technology systems.

§200.58 Information technology systems.

Information technology systems means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also §§200.20 Computing devices and 200.33 Equipment.

§200.94 Supplies.

Supplies means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also §§200.20 Computing devices and 200.33 Equipment.

Allowability

1. Awarded as Proposed

- a. An IT Device may be direct charged to a sponsored project if the cost was included in the proposed budget with a detailed justification, and the agency issued an award based on that proposal. The detailed justification should include an explanation of why and how the device is essential for and beneficial to the performance of the project, and that no existing resources are reasonably available.
- b. If a proposal is submitted to the National Institutes of Health using a modular budget and the PI intends to purchase an IT Device if the proposal is awarded, a detailed justification for the purchase must be included in the Additional Narrative Justification submitted to NIH even though NIH may not require it.

2. Not Included in Proposal (if purchase does not comply with 1.a. or 1.b. above)

- a. IT Devices should be included in the proposal budget. However in cases where it was not known at the time the proposal was submitted that there would be a need for an IT Device, a justification addressing the criteria listed below **must** be included within the requisition if it is over \$1,000.00. For purchases made via P-Card and requisitions less than \$1,000.00, the justification should be maintained within the department and supplied to SRA and/or auditors upon request.
- b. Approval is dependent upon the following allowability criteria:
 - The IT Device shall be primarily used for the conduct of the project.
 - The IT Device must be necessary for and provide benefit to the project.

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- The cost of IT Device must be allocable.
 - The device is to support the project's programmatic activities, and would not have been purchased other than to support the goals of the project.
 - A computer may be shared by and allocated (the cost distributed) to one or more sources of funding including multiple sponsored projects. For shared use, there should be documentation that supports the allocation. For example, if a computer is to be used by a specific employee appointed to multiple awards the cost of the computer likely needs to be allocated across the awards.
- The cost of IT Device must be reasonable.
 - There must be an informed, prudent decision regarding the cost, utility, and value of the computer to the sponsored project.
- IT Device purchases in the final 90 days of the project period must be reasonable and necessary for the conduct of remaining project activities.

Computer Purchase Budget Justification Examples

The actual research and the essential need for the IT Device should drive the budget justification.

Example 1

Three laptop computers (\$1,000 each) are requested. Research personnel (GRAs and RAs) will take these laptops to the field to record data during interviews with human subjects, assist with statistical analysis, and facilitate communications among research project personnel through the 12-month survey period.

Example 2

Computer: Laptop (\$989) needed for project-dedicated observations and travel between the University and the telescope in Chile.

Example 3

[FIRST DESCRIBE THE CHARACTERISTICS OF THE PC, THEN...] A personal computer is necessary to carry out X, Y, and Z efforts under this project. Because the personal computer may also be used for A, B, and C efforts over the course of the project and these efforts may or may not be directly attributable to this effort, we request that XX% of the total cost be covered by [SPONSOR].