Listing of Acceptable Direct Costs

Examples of acceptable direct costs that meet Circular A-21 requirements and are "identifiable to a particular cost objective" [§F.6.b.] are listed and explained below:

1. **SALARIES, WAGES AND FRINGE BENEFITS** (includes researcher or technician's salary and fringe benefits). See item 5. below for discussion of in-house consulting by faculty members (overload pay). According to Circular A-21, clerical salaries and wages shall *normally* be treated as indirect costs. There are situations where direct charging of administrative and clerical salaries is appropriate. These situations are discussed in this policy at Section c.

2. **ANIMALS AND ANIMAL CARE** costs.

3. **COMPUTING** costs (project specific) include hours of mainframe time for scientific computing and programming costs.

4. **SCIENTIFIC COMPUTER SOFTWARE** costs represent the expense of project dedicated software that is necessary to carry out the scope of the project.

5. **CONSULTANTS** (expertise of a well-defined nature for a fixed period of time), both external and internal consultants. At NYU, consultant agreements issued for sponsored projects are executed by the Contract Office.
   - **External Consultants**—A consultant can provide needed expertise to a project for a limited period of time. They function as independent contractors (with little or no day-to-day supervision by NYU staff) and they are not employees of the University. Consultants are typically paid an hourly or daily fee, plus reimbursement for travel and other incidental expenses. External consultant fees are normally treated as Other Than Personnel Services (OTPS).
   - **Internal Consultants**—Intra-university consulting is assumed to be undertaken as a university obligation requiring no additional compensation in addition to the full-time base salary of full-time faculty/staff members. This principle applies to faculty members who function as consultants or otherwise contribute to a sponsored project conducted by another faculty member of the same institution. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and/or the work performed by the consultant is in addition to his regular departmental load, any charges for such work representing extra compensation above the base salary are allowable provided that such consulting arrangements are specifically defined or stated in the agreement and/or approved in writing by the sponsoring agency and the authorized University official.

6. **EQUIPMENT** (permanent equipment, greater than NYU capitalization threshold, currently, $3,000).

7. **EQUIPMENT MAINTENANCE CONTRACTS.** Equipment maintenance contract expenses of project-dedicated equipment or shared equipment with monitored usage and an appropriate cost is charged directly to the grant account.

8. **MOTOR VEHICLE EXPENSES.** Maintenance expenses of project-dedicated vehicles and vehicles used in the field may be directly charged to projects, as well as motor vehicle expenses incurred with travel.

9. **PARTICIPANT COSTS** (payments made directly to or on behalf of participant) include stipends, tuition and fees, dependency allowance, participant travel, and other miscellaneous participant costs.
10. **PUBLICATIONS, PRINTING, BINDING, AND COPYING SERVICE COSTS** (indicate and itemize costs for copying, reprinting, duplicating, or publishing). Be sure to include any publication costs connected with dissemination and evaluation, and check journal page rate costs for a correct and current estimate.

11. **RENTAL OF SPACE** (away from the University). Some projects require special space needs or staff stationed for long-term field site work. Lease agreements can be negotiated to lower space and housing costs with the rental costs charged directly to the project.

12. **SHIPPING/OVERNIGHT DELIVERY SERVICES** (Federal Express, etc.). Federal Express, U.S. Postal Priority Mail, DHL, and UPS overnight delivery services specifically define costs at the individual or account level and can be directly charged to the grant/contract account. Routine postage charges are normally treated as an indirect cost unless special purposes and circumstances exist for the project. If the project requires substantial mailing expenses in the performance of the project activities or technical work, postage should be directly charged to the project. (Refer to Section c in this policy.)

13. **SPECIALIZED FACILITIES** required by a specific program. If a project requires the creation of new, more secure facilities, including the acquisition of alarm equipment, special construction, or other project-specific facility costs, these costs may be directly charged to the project. These special-purpose facilities may or may not be usable by future programs. This cost category would also include increased security services required due to the level of classification/special access for the project.

14. **SUBCONTRACT** costs.

15. **SUPPLIES** (laboratory (e.g., chemicals), educational/instructional). Office supplies are normally treated as indirect costs unless a special purpose or circumstance (refer to Section c) exists for the project. For allowability of computer supplies as a direct cost, refer to Section c.ii and Appendix 3.

16. **TELEPHONE TOLL CHARGES** (i.e., long distance calls). In addition to long distance charges, this category includes the toll charges and equipment for phones needed in field work, cellular phones needed for field site coordination, and phone call charges while in travel status. If the sponsored project does not have a dedicated line, then an access code should be obtained from Telecommunications Services so that any long distance calls for the project may be identified with a specific access code on the monthly telephone bill for the campus department.

17. **TRAVEL** costs (travel required to fulfill the sponsored project requirements).

18. **OTHER** direct costs may include:

   (a) equipment rentals;
   (b) reference books and materials directly related to project scope;
   (c) search service charges associated with research; or
   (d) insurance expense for project-dedicated equipment.