

## Collaboration Agreement Allowable Costs Policy

### General

The following is guidance for Health Security Partner's grantees when developing a budget for their project. Awardees will be required to complete financial reporting and submit full documentation of project expenditures, including all receipts, invoices, timesheets, etc. Please note that specific funding sources may have additional regulations and restrictions on allowable costs.

### Personnel

The *Personnel* category is for employees of the recipient organization who will be compensated for their time while working on the project. This can include the principal investigator, project managers/coordinators, finance, or operations managers, etc. Subject matter experts not employed by the recipient organization or consultants should be placed in the *Contractual* category. When developing the personnel budget, it is generally appropriate to not exceed 20-30% of the total budget. For example, for a budget of \$10,000 USD, \$2,000 could belong to personnel. However, there may be projects where the *Personnel* category accounts for a larger percentage. In those cases, you may be asked to justify the need for quantity of personnel and level of effort. For the budget, a line item should be allocated to each person who is working on the project. Follow the budget template to add name, position, daily rate, and number of days of work. Daily rates must be justifiable and aligned with compensation history and the local labor market. Collaborating organizations may be requested to provide documentation that supports the daily rate.

### Travel

This category is for all project-related travel performed by project personnel, project participants/stakeholders, and contractors. Identify domestic or international airfare (economy class only), lodging, meals and incidentals, ground transportation, etc. in this section. Per diem for meals and lodging is maximized at the local rates per local governmental guidance (submit documentation with budget). If no guidance exists or is not easily accessible, the maximum per diem rate will be determined in consultation with your HSP point of contact. The first and last travel day should be calculated at 75% of the daily rate. If HSP staff are traveling to participate in your program, they will make their own arrangements, you do not need to include their expenses here.

### Contractual

*Contractual* is defined as expenses where a contract/agreement/service invoice would be presented for short-term services like an honorarium or consultant. If you are planning on contracting a consultant, include their name, role, daily rate, and the number of days of work expected on the project. This is also the category where venue-related expenses should be placed, such as room rental, catering, etc. Other examples include equipment maintenance/servicing, translation services, and subawards to other organizations. Subawards to other organizations must be discussed with HSP and are subject to additional requirements (see *Indirect* category).

### **Equipment and Supplies**

Equipment is defined as items that have a lifespan greater than one year and a unit cost equal to or greater than \$5,000 USD. This does include information technology systems and laboratory equipment such as biosafety cabinets. Please list all equipment purchases individually. Supplies are valued at less than \$5,000 per unit price and have a lifespan of less than one year. This includes paper, laboratory consumables, and a single computer device. Include here all equipment and supplies required for completing the project. Equipment will only be considered on a case-by-case basis. Work with your HSP point of contact to determine if equipment will be an allowed expense.

### **Indirect/Facilities and Administrative Costs**

Indirect costs or facilities and administrative costs may only be included for established organizations (universities, non-profit organizations, etc.) and not individuals. Indirect costs are incurred for common or joint purpose benefitting more than one purpose and cannot be attributed solely to an individual project. The indirect costs can be no more than 8% of direct costs excluding equipment and the portion of subawards in excess of \$25,000 USD (i.e. only the first \$25,000 of a subaward may have indirect applied to it). However, if your organization has a negotiated indirect cost rate agreement (NICRA) with the U.S. government, you may use that as the indirect rate. Organizations with NICRAs will be required to submit a copy with their budget as documentation.

### **Examples of Unallowable Costs**

The following costs will not be reimbursed:

- Proposal development costs,
- Payment of taxes or loans,
- All entertainment costs including alcohol,
- Airfare costs in excess of the lowest economy-class fare, and
- Costs that do not directly support the project.