

Prior written approvals

2 CFR 200.407 provides references to all prior approvals required in other sections of the guidance. The budget-related items listed here must not only meet the standard tests of reasonableness and allocability to be allowable, but must also have specific prior approval.

Item	As described in	Prior approval details/other comments	Agency variations - TBD
Changes in PI, Project Leader, project partner or scope of effort under a <u>Fixed Amount Award</u>	200.201(b) (5)	Written approval of Federal awarding agency or pass-through entity.	
*Use of unrecovered indirect costs (including indirect costs on cost sharing or matching direct costs) as Cost Sharing or Matching	200.306 (c)	Prior approval of the Federal awarding agency.	
*Use of Program Income to meet cost sharing or matching requirements of the award	200.307 (e) (3)	Prior approval of the Federal awarding agency.	
Change of scope or objective of the project or program	200.308 (c) (1)	Recipients must request prior approvals from the Federal awarding agency.	
Change in key person specified in the application or award	200.308 (c) (2)	Recipients must request prior approvals from the Federal awarding agency.	
PI or project director disengagement from the project for more than 3 months or a 25% reduction in time devoted to the project	200.308 (c) (3)	Recipients must request prior approvals from the Federal awarding agency.	
Budget revisions that move the funds budgeted for Participant Support Costs (as defined in 200.75) to other categories	200.308 (c) (5)	Recipients must request prior approvals from the Federal awarding agency.	
*The subawarding, contracting out or transferring of any of the work of the Federal award that was NOT described and funded in the approved award	200.308 (c) (6)	Recipients must request prior approvals from the Federal awarding agency.	

Item	As described in	Prior approval details/other comments	Agency variations - TBD
Changes in the amount of approved cost-sharing or matching	200.308 (c) (7)	Recipients must request prior approvals from the Federal awarding agency.	
Project costs incurred more than 90 days prior to award	200.308 (d) (1) Also, 200.458, below	Recipients must request prior approvals from the Federal awarding agency.	
Project costs incurred up to 90 calendar days prior to award.	200.308 (d), (d)(1) and (d) (4) Also 200.458, below	Federal agencies may, at their option, waive prior written approval per paragraph (d). If not waived, then prior approval is required. Additionally, per (d) (4), for awards that support research, unless the Federal agency provides otherwise in the award or in agency regulations, prior written approval is automatically waived.	
Time extension of the period of performance - one time, up to 12 months	200.308 ((d) (2)	Where not prohibited by the terms and condition of the award, the recipient institution can initiate this on their own, but must notify the Federal awarding agency in writing with supporting reasons and revised period of performance at least 10 calendar days before the end of the performance period in the award. Purpose cannot be to merely use unobligated balances.	
Time extensions where certain conditions are present	200.308 (d) (2) (i) – (iii)	Extensions require explicit prior Federal awarding agency approval when the award prohibits extension, requires additional funds, or involves changes in the objectives or scope of the project.	

Item	As described in	Prior approval details/other comments	Agency variations - TBD
*Issuance of <u>fixed amount</u> subaward agreements	200.332	Prior written approval from the Federal awarding agency. The subawards must also meet the requirements for fixed amount awards in 200.201(b).	
*Administrative and clerical salaries	200.413 (c)(3)	Such costs must be explicitly included in the budget or have the prior written approval of the Federal awarding agency, in addition to meeting other specific conditions to be allowable (integral to and specifically identifiable with a project).	
*Faculty salary overload pay - any amount that exceeds the proportionate share of the Institutional Base Salary (IBS) for the period during which the faculty member worked on the award	200.430 (h)(2)	Must have prior approval by the Federal awarding agency.	
*Intra-institutional consulting by faculty where charges for such work represent additional compensation above the Institutional Base Salary (IBS)	200.430 (h) (3)	Such consulting arrangements must be specifically provided for in the Federal award or approved in writing by the Federal awarding agency. The consulting must also be "unusual" as defined in the same section, must meet reasonableness conditions set forth in 200.430(b), and allowability conditions for extra service pay in 200.430 (h) (4).	
*Entertainment costs that have a programmatic purpose for the specific project at hand	200.438	Must be authorized in the approved budget for the Federal award or have written approval of the Federal awarding agency.	

Item	As described in	Prior approval details/other comments	Agency variations - TBD
*Capital Expenditures for GENERAL PURPOSE equipment, buildings, or land	200.439 (b) (1)	Unallowable as direct charges except with the prior written approval of the Federal awarding agency or pass-through entity.	
*Capital expenditures for SPECIAL PURPOSE equipment	200.439 (b) (2)	Allowable as direct costs, provided items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity	
*Capital Expenditures for improvements to equipment, buildings, or land that materially increase their value or useful life	200.439 (b) (3)	Unallowable as direct charges except with the prior written approval of the Federal awarding agency or pass-through entity.	
Cost increases for fluctuations in exchange rates	200.440	Must have prior approval of the Federal awarding agency and subject to availability of adequate funds.	
Fines, penalties, damages or other settlements	200.441	Unallowable except when incurred as a result of compliance with specific provisions of the Federal award or with prior written approval of the Federal awarding agency.	
*Fund raising costs for purposes of meeting the Federal program objectives	200.442 (a)	Allowable with prior written approval from the Federal awarding agency.	
*Costs of housing, housing allowances and personal living expenses	200.445 (b)	To be allowable direct costs, must be approved in advance by the Federal awarding agency.	
Insurance costs for coverage of loss or damage to Federal government property	200.447 (b) (2)	Unallowable except to the extent that the Federal awarding agency has specifically required or approved such costs.	
Cost of actual losses that could have been covered by permissible insurance (self-insurance or	200.447 (c)	Unallowable unless expressly provided for in the Federal award.	

Item	As described in	Prior approval details/other comments	Agency variations - TBD
otherwise)			
*Cost of membership in any civic or community organization	200.454 (c)	Allowable with prior approval by the Federal awarding agency or pass-through entity.	
*Cost or establishment or reorganization of an organization	200.455	Unallowable except with prior approval of the Federal awarding agency.	
*Participant support costs – Defined in 200.75 as direct costs for items such as stipends or travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects	200.456	Allowable with the prior approval of the Federal awarding agency.	
Preaward Costs	200.458	Allowable only with written approval of the Federal awarding agency. See 200.308 (d) (1) above, also.	
*Special facilities arrangement and alteration costs incurred specifically for a Federal award	200.462 (a)	Allowable as a direct cost with the prior approval of the Federal awarding agency or pass-through entity.	
*Selling and marketing costs for any products or services	200.467	Allowable as direct costs with prior approval by the Federal awarding agency when necessary for the performance of the federal award.	
Travel costs of certain state or local government officials referenced in 200.444	200.474 (a)	Allowable with the prior written approval of the Federal awarding agency or pass-through entity when they are specifically related to the Federal award.	

*Best practice for these items is to anticipate and include them in proposal budgets whenever possible. In the absence of specific procedures from the applicable Federal agency for obtaining prior written approval, items should be clearly identified within the proposal budget. Wherever possible, use of the terminology found within the uniform guidance or agency-specific guidance to describe costs that require prior approval should be considered.