**Checking for Administrative and Clerical Salaries in Closing**

Clerical and administrative costs are normally considered facilities and administrative (indirect) costs. When the following situations exist, administrative and clerical costs that are normally considered part of facilities and administrative costs may be charged as direct costs to federal projects:

* Administrative or clerical services are integral to a project or activity
* Individuals involved can be specifically identified with the project or activity
* Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency
* The costs are not also recovered as indirect costs

When the circumstances above exist, the cost of clerical and administrative personnel required to conduct the federal project must be budgeted and fully justified in the proposal to the sponsor in order to be subsequently charged to the project. The determination of “clerical” or “administrative” will be based on the work performed, not

the job title or internal position classification of the individual. Clerical and/or administrative costs must be included in the award or subsequently approved in accordance with the funding agency regulations in order to be an allowable charge to the project. The University will consider the cost approved if the federal agency awards the proposed budget in full, or does not explicitly remove the budget line item for those costs. Clerical and/or administrative costs should only be charged to the project when there is an identifiable benefit to the project and the charges must be supported by adequate effort reporting documentation in accordance with existing procedures.

Some federal programs do not require a detailed budget as part of the proposal process, such as modular grants awarded by the National Institute of Health (NIH). As with any other federal sponsored project, the budget must be approved by the sponsor prior to directly charging clerical or administrative costs to that project.

Clerical and administrative costs can be directly charged to non-federal projects, including state, industrial, foundation and voluntary support projects when the expense benefits the project. Projects awarded by the state with federal flow through funds must follow the guidance provided on federal projects (see above) in order for these costs to be directly charged to the project.

**How to Check for Clerical Salaries**

All clerical salaries roll up into sponsored class 78240. If any charges appear on the FSSR in this sponsored class, review the grant agreement and budget to see if these costs were approved in the budget.

**How to Check for Administrative Salaries**

Administrative salaries will roll up into sponsored class 78210. If any charges appear on the FSSR in this sponsored class, further investigation is required. Run BI – Cognos report [Boiler Insight](https://reporting.itap.purdue.edu/cognos10/cgi-bin/cognosisapi.dll?b_action=xts.run&m=portal/cc.xts&m_folder=iC2B2912497AC4EE3A19D291F98AF4ECE) ‎> [Standard Content](https://reporting.itap.purdue.edu/cognos10/cgi-bin/cognosisapi.dll?b_action=xts.run&m=portal/cc.xts&m_folder=iD64BDEE6653340508D349BB1239C4027) ‎> HR and Payroll ‎> Statement of Payroll Charges.Review the titles to see if there are any questionable administrative staff. Attach the list of questionable administrative staff to the closing email sent to the Business Office who will investigate if any of those individuals are truly administrative staff. If the Business Office verifies that none of the individuals were administrative staff, print a copy of the response for the file; no further action is needed. If any of the staff appearing on the list truly are administrative staff, review the grant agreement and budget to see if these costs were approved in the budget.