

Research Terms and Conditions (RTC) Appendix A
Prior Approval Matrix
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Prior Approval items are listed below with the 2 CFR Reference and if the RTCs Require (R) or Waive (W) obtaining federal sponsor approval. Six federal sponsors (National Science Foundation, Department of Energy, National Institutes of Health, Department of Agriculture/National Institute of Food & Agriculture, Department of Commerce, and National Aeronautics and Space Administration) are then listed with either a “R”-required or “W”-waived designation. Footnotes are listed at the bottom of each page.

Any of RTC designations can be superseded by the terms and conditions of the specific federal award; always review the federal award to determine any prior approval requirements.

Item	2 CFR Reference	RTC	Select Federal Sponsors							
			NSF	DOE	NIH	USDA /NIFA	DOC	NASA	DHS-GFAD	DHS-FEMA
Written Prior Approval	200.407									
Changes in principal investigator (PI), project leader, project partner, or scope of effort.	200.201(b)(5)	R	R	R	R	R	R	R	R	R
Cost Sharing or Matching	200.407(b)									
Use of unrecovered indirect costs, including indirect costs on cost sharing or matching.	200.306(c)	W	W	W	W	W ¹	W	W	R	W
Use of current fair market value to determine the value of non-Federal entity donations of services and property for the purposes of cost sharing or matching.	200.306(d)(2)	W	W	W	W	W	W	W	W	W
Costs of the fair market value of equipment or other capital assets and fair rental charges for land when the Federal award supports activities that require use of equipment, buildings or land.	200.306(h)(2)	R	R	R	R	R	R	R	R	R
Program Income	200.407(c)									
Use of program income during the period of performance (additive method).	200.307(e)(2)	W	W	W	W ²	W	W	W ³	W	W
Revision of Budget and Program Plans.	200.407(d)									
Change in the scope or the objective of the project or program.	200.308(c)(1)	R	R	R	R	R	R	R	R	R
Change in PI/PD specified in the application or Federal award.	200.308(c)(2)	R	R	R	R	R	R	R	R	R
Disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project by the approved PI/PD.	200.308(c)(3)	R	R	R	R ⁴	R	R	R ⁵	R	R
Inclusion, unless waived, of costs that require prior approval in accordance with Subpart E -- Cost Principles.	200.308(c)(4)	R	W ⁶	R	W ⁷	R	R	R	R	R

Transfer of funds budgeted for Participant Support costs to other categories of expense.	200.308(c)(5)	R	R	R	W ⁸	R	R	R	R	R
Sub-awarding, transferring or contracting out any work under a Federal award. This provision does not apply to the acquisition of supplies, material, equipment or general purpose services.	200.308(c)(6)	R	R	R	W ⁹	W ¹⁰	R	R	R	R
Changes in the approved cost-sharing or matching provided by the non-Federal entity.	200.308(c)(7)	R	R	R	R	W ¹¹	R	R	R	R
Need for additional Federal funding to complete the project.	200.308(c)(8)	R	R	R	R	R	R	R	R	R
Incur project costs 90 calendar days before the Federal awarding agency makes the award.	200.308(e)(1)	W	W	R	W	W	W	W	R	W
Incur project costs more than 90 calendar days pre-award.	200.308(e)(1)	R	R	R	R	R	R	R	R	R
Initiate a one-time extension of the period of performance by up to 12 months.	200.308(e)(2)	W	W	W	W	W	W	W	R	W
Subsequent no-cost extension or extension of more than 12 months.	200.308(e)(2)	R	R	R	R	R	R	R	R	R
Carry-forward of unexpended balances to subsequent funding periods.	200.308(e)(3)	W	W	W	W ¹²	W	W	W	R	W
Transfer amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa.	200.308(e)(4)	W	W	W	W ¹⁰	W	W	W	R	W
Re-budgeting among direct cost categories for Federal awards in which the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the approved budget.	200.308(f)	W	W	W	W ¹⁰	W	W	W ^{8,13}	R	W
Transfer of funds between construction and non-construction activities.	200.308(h)(5)	R	R	R	R	R	R	R	R	R
Real Property	200.407(e)									
Encumber real property acquired with Federal funds.	200.311(b)	R	R	R	R	R	R	R	R	R
Transfer of title to the Federal awarding agency or to a third party.	200.311(c)(3)	R	R	R	R	R	R	R	R	R
Special arrangements and alterations costs incurred specifically for a Federal award.	200.462(a)	R	R ¹⁴	R	W ²³	R	R	R	R	R
Equipment	200.407(f)									
Encumber equipment acquired with Federal funds.	200.313(c)(1)	R	R	R	R	R	R ¹⁵	R	R	R
Fixed Amount Sub-awards	200.407(g)									
Sub-awards based on fixed amounts up to the simplified acquisition threshold, provided the sub-awards meet the requirements for fixed amount awards in 200.201.	200.333	R	R	R	R	R	R	R	R	W
Direct Costs	200.407(h)									
Direct charge the salaries of administrative and clerical staff if all conditions in 200.413 are met, excluding 200.413(c)(3).	200.413(c)	W	R	W	W	W	W	W	W	W
Compensation – Personal Services	200.407(i)									

Directly charge payments of incidental activities for which supplemental compensation is allowable under written institutional policy (at a rate not to exceed institutional base salary).	200.430(h)(1)(ii)	W	W	W	W	W	W	W	W	W
Faculty salary in excess of Institutional Base Salary (IBS).	200.430(h)(2)	R	R	R	R	R	R	R	R	R
Intra-IHE faculty consulting on a Federal award that exceed a faculty member's base salary.	200.430(h)(3)	W	W	W	W	W	W	W	R	W
Compensation – Fringe Benefits	200.407(j)									
Severance payments to foreign nationals employed by the non-Federal entity outside the US that exceed the amounts customary in the US.	200.431(i)(4)	R	R	R	R	R	R	R	R	R
Severance payments to foreign nationals employed by the non-Federal entity outside the US due to termination of the foreign national as a result of the closing of, or curtailment of activities by, the non-Federal entity in that country.	200.431(i)(5)	R	R	R	R	R	R	R	R	R
Entertainment Costs	200.407(k)									
Inclusion of costs of entertainment, including amusement, diversion, and social activities and any associated costs that have a programmatic purpose.	200.438	R	R	R	R	R	R	R	R	R
Equipment and Other Capital Expenditures	200.407(l)									
Direct charge capital expenditures for general purpose equipment.	200.439(b)(1)	W	W	W	W ⁸	W ¹⁶	W	W ^{8,17}	W	W
Direct charge capital expenditures for buildings and land use.	200.439(b)(1)	R	R	R	R	R	R	R	R	R
Capital expenditures for improvements to land or buildings which materially increase their value or useful life.	200.439(b)(3)	R	R	R	R	R	R	R	R	R
Exchange Rates	200.407(m)									
Exchange rate fluctuations that result in the need for additional Federal funding, or a reduction in the scope of the project.	200.440(a)	R	R	R	R	R	R	R	R	R
Fines, Penalties, Damages and Other Settlements	200.407(n)									
Costs resulting from non-Federal entity violations of, alleged violations of, or failure to comply with, Federal, State, tribal, local or foreign laws and regulations.	200.441	R	R	R	R	R	R	R	R	R
Fund Raising and Investment Management Costs.	200.407(o)									
Costs of organized fund raising for the purposes of meeting the Federal program objectives.	200.442(a)	R	R	R	R	R	R	R	R	R
Goods or Services for Personal Use	200.407(p)									
Costs of housing (e.g. depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses.	200.445(b)	R	R	R	R	R	R	R	R	R
Insurance and Indemnification	200.407(q)									

Costs of insurance or of contributions to any reserve covering the risk of loss of, or damage to, Federal Government property.	200.447(b)(2)	R	R	R	R	R	R	R	R	R
Memberships, Subscriptions, and Professional Activities Costs	200.407(r)									
Costs of membership in any civic or community organization.	200.454(c)	R	R	R	R	R	R	R	R	R
Organization Costs	200.407(s)									
Costs such as incorporation fees, brokers' fees, fees to promoters, organizers or management consultants, attorneys, accountants, or investment counselor, whether or not employees of the non-Federal entity in connection with establishment or reorganization.	200.455	R	R	R	R	R	R	R	R	R
Participant Support Costs	200.407(t)									
Transfer of funds into the Participant Support cost category.	200.456	W	W ¹⁸	W	R ¹⁹	W	W	W	R	W
Transfer of funds budgeted for participant support costs to other categories of expense.	200.308(c)(1)(v)	R	R	R	W ²⁰	R	R	R	R	R
Pre-Award Costs	200.407(u)									
Inclusion of allowable pre-award costs.	200.458	W	W	W	W	W	W	W	R	W
Incur project costs 90 calendar days before the Federal awarding agency makes the award.	200.308(d)(1)	W	W	R	W	W	W	W	R	W
Incur project costs more than 90 calendar days pre-award.	200.308(d)(1)	R	R	R	R	R	R	R	R	R
Rearrangement Reconversion Costs	200.407(v)									
Direct charge special arrangements and alterations costs incurred specifically for a Federal award.	200.462(a)	R	R ²¹	R	W ²²	R	R	R	R	R
Selling and Marketing Costs	200.407(w)									
Costs of selling and marketing any products or services of the non-Federal entity (unless allowed under §200.421 Advertising and public relations).	200.467	R	R	R	R	R	R	R ²³	R	R
Taxes (including Value Added Tax).	200.407(x)									
Use of foreign tax reimbursement for approved activities under the Federal award.	200.470(c)	R	R	R	R	R	R	R	R	R
Travel	200.407(y)									
Inclusion of travel costs for officials covered by 200.444 General costs of government.	200.474(a)	R	R	R	R	R	R	R	R	R
Travel costs for dependents for travel of duration of six months or more.	200.474(c)(2)	R	R	R	R	R	R	R	R	R

- ¹ Only if the total amount of indirect costs charged to the project does not exceed the maximum allowed indirect costs or the institution's negotiated indirect cost rate, whichever is less.
- ² Waived, funds added to the amount available for the project.
- ³ With prior approval, may use to meet cost share requirement.
- ⁴ Required for the PI and any other individuals specifically named in the Notice of Award.
- ⁵ Applies to PIs and co-PIs.
- ⁶ Except where specified otherwise in this matrix, the terms and conditions of award, or the applicable program solicitation or award notice.
- ⁷ Waived, but costs not specifically covered in Subpart F are subject to the NIH Grants Policy Statement (GPS).
- ⁸ Waived, unless change in scope. For the purposes of Kirschstein-National Research Service Award (NRSA) programs, this term (Participant Support) does not apply. NIH will continue to use the terms trainees, trainee-related expenses, and trainee travel in accordance with NRSA Regulations. Participant support costs are only allowable when identified in specific Funding Opportunity Announcements (FOAs).
- ⁹ Waived unless change in scope and except when sub-recipient is foreign.
- ¹⁰ Waived except when: 1) subaward(s) would be more than 50% of the total dollars of the award or 2) subaward is to a federal agency. In these situations, prior approval is required.
- ¹¹ Except when the change is a reduction in the amount of approved cost-sharing/match in which case prior approval is required.
- ¹² Waived except when Notice of Award (NOA) indicates prior approval is required.
- ¹³ Waived unless total cost share amount is reduced from what was approved in budget.
- ¹⁴ Rearrangement and reconversion costs under \$25,000 may be approved by grantees.
- ¹⁵ Department of Commerce (DOC) permits non-Federal entities to own equipment upon acquisition without conditions or without obligation to the sponsor at termination of project. DOC permits trade in equipment to buy replacement equipment.
- ¹⁶ If the cost of the equipment is appropriately prorated among the activities to be benefited.
- ¹⁷ Waived if the cost of equipment is appropriately prorated among the activities to be benefited.
- ¹⁸ Unless funds are being moved into the "Other" category of participant support.
- ¹⁹ Required, participant support costs are only allowable when identified in specific Funding Opportunity Announcements (FOAs).
- ²⁰ Waived, unless change in scope. For the purposes of Kirschstein-National Research Service Award (NRSA) programs, this term does not apply. NIH will continue to use the terms trainees, trainee-related expenses, and trainee travel in accordance with NRSA Regulations. Participant support costs are only allowable when identified in specific Funding Opportunity Announcements (FOAs).
- ²¹ Rearrangement and reconversion costs under \$25,000 may be approved by grantees.
- ²² Waived for alterations and renovations costing up to \$500,000, unless change in scope or budgeting into A&R exceeds 25% of budget period total. See Rearrangement and Reconversion Costs within NIH Grants Policy Statement Chapter 7.9.1.
- ²³ Pertains only to items produced under this award in which the Federal share was used for all or part of the development.