Federal Award Spending Guidelines

Claremont McKenna College (CMC) recognizes the importance of government awards for faculty research programs and is committed to maintaining funding eligibility for individual faculty, as well as for the college as a whole. The following information may assist investigators in complying with federal, state, or local agency spending guidelines.

Faculty are responsible for ensuring that charges to their grants are consistent with government rules. Specific agency rules may be more stringent than those described in the Federal Office of Management and Budget (OMB) Circular A-21, “Cost Principles for Educational Institutions”:


• To ensure that equipment, salaries, and supplies can be purchased in a timely fashion, faculty are advised to assign charges to the appropriate categories in their budgets. Moving funds between spending categories post-award requires justification, and in some cases, government agency approval.

  o Note that CMC requires students to be paid hourly through the payroll system, whether salaries are listed as stipends or wages in the proposal. For example, the NSF sometimes requires student wages to be listed under participant costs, to reduce facilities and administration (F&A) charges.

• CMC recognizes that deviations from the original spending plan, as approved by the funding agency, may become necessary. In such a case, it is recommended that the investigator provides written justification to the CMC Treasurer’s Office, with a copy to the Sponsored Research Office (SRO), before incurring the charges.

• CMC recognizes that research requirements dictate when funds are spent. To reduce the likelihood of government audit, faculty are advised that certain spending patterns, while entirely justifiable, may draw the attention of auditors. Timing issues such as zero-spending for a length of time, substantial spending at one time, and in particular, substantial spending near the expiration date of a grant, may be seen as “red flags” by auditors. In these cases, the PI is advised to document the spending schedule clearly. Generally, when possible, charges should be made throughout the course of the grant period, in accordance with the approved budget.

• The SRO is available to support pre-award budget development and ensure that all requested funds are allowable according to funding agency regulations.