UNIVERSITY OF ALASKA
UNIFORM GUIDANCE WORKING GROUP

Section Number & Name: 200.463 Recruiting Costs
A-21 Reference: J42

BACKGROUND INFORMATION:

A. Does the revised guidance contain new language? ☒ Y ☐ N

Specifically describe the new language and how it differs: see attached

B. Is the new guidance more or less restrictive than university processes? ☐ More ☐ Less

Specifically describe how it is more or less restrictive: Neither more nor less
Adds clarity regarding allowable treatment of short-term, travel visa costs.

C. Cite any relevant system-wide policies/regulations/procedures:
Accounting and Administrative Manual D-03 Accounting for Unallowable Cost
Board of Regents Policy and Regulations Chapter 04.03 Recruiting and Staffing, and Chapter 04.07 Employee Relations (relates to resignations)
Union Contracts

D. Cite any MAU-level relevant processes or manuals:

_____

E. Is there an impact to electronic systems (Banner HR/Finance, Web Timesheets, Effort Reporting, etc.)? ☐ Y ☒ N

List specific system(s) impacted and method of impact:

_____

ACTION PLAN: Is specific action needed? ☒ Y – see below ☐ N – no action needed

Recommended Action(s):

1. Update Accounting and Administrative Manual D-03 Accounting for Unallowable Costs to update definition and citation on matrix
2. Develop a monitoring system (with post-award, HR, Cost Analysis) to ensure compliance with 2CFR 200.463(c). If relocation was paid and the employee resigns within 12 months after hire, UA must refund or credit the award
3. Consider adding verbiage to Board of Regents Policy and Regulations Chapter 04.03 Recruiting and Chapter 04.07 Employee Relations to require an employee to refund any relocation costs paid to them if the employee resigns within 12 months after hire. This would need discussions with Labor Relations, HR, and General Counsel.

UA responsible area requiring documentation of compliance:

Rosemary Madnick, Heather Paulsen, Barbara Hyde, Tanya Hollis, Christi Eickholt, Andrew Gray, Claire Ligsay, Cindy Eriksen, Tana Myrstol

200.463 Recruiting costs.

(a) Subject to paragraphs (b) and (c) of this section, and provided that the size of the staff recruited and maintained is in keeping with workload requirements, costs of "help wanted" advertising, operating costs of an employment office necessary to secure and maintain an adequate staff, costs of operating an aptitude and educational testing program, travel costs of employees while engaged in recruiting personnel, travel costs of applicants for interviews for prospective employment, and relocation costs incurred incident to recruitment of new employees, are allowable to the extent that such costs are incurred pursuant to the non-Federal entity's standard recruitment program. Where the non-Federal entity uses employment agencies, costs not in excess of standard commercial rates for such services are allowable.

(b) Special emoluments, fringe benefits, and salary allowances incurred to attract professional personnel that do not meet the test of reasonableness or do not conform with the established practices of the non-Federal entity, are unallowable.

(c) Where relocation costs incurred incident to recruitment of a new employee have been funded in whole or in part as a direct cost to a Federal award, and the newly hired employee resigns for reasons within the employee's control within 12 months after hire, the non-Federal entity will be required to refund or credit the Federal share of such relocation costs to the Federal government. See also

§200.464 Relocation costs of employees.

(d) Short-term, travel visa costs (as opposed to longer- term, immigration visas) are generally allowable expenses that may be proposed as a direct cost. Since short-term visas are issued for a specific period and purpose, they can be clearly identified as directly connected to work performed on a Federal award. For these costs to be directly charged to a Federal award, they must:

(1) Be critical and necessary for the conduct of the project;

(2) Be allowable under the applicable cost principles;

(3) Be consistent with the non-Federal entity's cost accounting practices and non-Federal entity policy; and

(4) Meet the definition of "direct cost" as described in the applicable cost principles.

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b. In publications, costs of help wanted advertising that includes color, includes advertising material for other than recruitment purposes, or is excessive in size (taking into consideration recruitment purposes for which intended and normal institutional practices in this respect), are unallowable. ¶
c. Costs of help wanted advertising,

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