

MAES Funding: Best Practices and Guidelines

This document is intended to provide general guidelines for allowable expenses. The information below should not be considered entirely inclusive of all allowable and non-allowable expenses. Complete information can be found in the [NIFA Federal Assistance Policy Guide](#).

It is expected that in addition to following these guidelines and federal policies, all relevant Montana State University will be followed.

Overview

The 1862 Morrill Act, which established the land grant institution, created the basis of the College of Agriculture's funding. The 1887 Hatch Act created the Montana Agricultural Experiment Station and provided its funds for agricultural research purposes. Under this funding, we have Hatch and Hatch-Multistate projects, which provides much of the research funding for PIs. There are also state dollars that are used to fund our agricultural research.

There are 3 main types of indexes for this:

- Hatch index, which will always begin with a 923
- Multistate index, which will always begin with a 924
- State index, which will always begin with a 911

Information Required for All Expenses

All expenses on MAES funding must be in support of research and must include specific information, whether these expenses are completed via P-Card and Chrome River or BPA. All expenses must include:

- Detailed information about what was purchased with documentation
 - This must include more detail than lab supplies, office supplies, etc., and items for which the purpose is not inherently apparent must include explanations, e.g. nylon stockings to wash seeds, unscented incense to mimic wildfire
 - This should also include any additional documentation from the vendor whenever possible
- The total amount spent with documentation
 - All credit card fees and shipping costs must be accounted for and can be included in a comment in Chrome River if not reported on a receipt
- The vendor name
- The date of purchase/payment

Hatch and Multistate Funds

Because Hatch and Multistate indexes are federal funds, they have more stringent requirements for spending, the details of which can be found in the [NIFA Federal Assistance Policy Guide](#).

All federal funds must be reasonable and necessary, and, if costs benefit two or more projects, costs must be allocated to the projects based on proportional benefit.

Types of Costs

Item	Description	Position	Notes
Entertainment	<ul style="list-style-type: none"> Costs of entertainment, including amusement, diversion, and social activities and any associated costs. 	Unallowable	
Equipment	<ul style="list-style-type: none"> Tangible personal property (including information technology systems) having a useful life of more than 1 year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. 	Allowable with conditions	Prior approval required for equipment over \$5,000
Meals/Food	<ul style="list-style-type: none"> Business meals may not be charged as project costs when individuals decide to go to breakfast, lunch, or dinner together when no need exists for continuity of a meeting. Meals that are part of the costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable as are costs of transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. 	Allowable with conditions	
Memberships	<ul style="list-style-type: none"> Costs membership in or of subscriptions to business, technical, and professional organizations or periodicals. 	Allowable with conditions	There needs to be a direct benefit of this cost to the research award and cannot be for lobbying purposes
Promotional Items	<ul style="list-style-type: none"> Items to give away: Conference giveaways, pens, pencils, etc. For staff or participants: Uniforms/t-shirts for personnel to be identified as working on the project or as give aways/promotion of the program. 	Unallowable	
Domestic Travel	<ul style="list-style-type: none"> Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business. 	Allowable with conditions	(see below for additional details)
International Travel	<ul style="list-style-type: none"> Any travel outside of North America and/or U.S. Territories. 	<ul style="list-style-type: none"> Multistate-unallowable Hatch-allowable with conditions 	(see below for additional details)

Salaries	<ul style="list-style-type: none"> Salaries and fringe benefits paid to individuals who work on the project. 	Allowable with conditions	Must follow required matching, internal controls, cost allocation, and documentation per Uniform Guidance .
Uniforms and Safety Equipment	<ul style="list-style-type: none"> Must be necessary for performance of activities under the award. Allowable uniforms include protective gear for special circumstances, such as working with hazardous chemicals, e.g. respirators, special gloves, lab coats 	Allowable with conditions	Unallowable are matching shirts so personnel can be identified as working on the project

Travel

Domestic Travel

Domestic travel includes Canada, Mexico, and U.S. Territories.

Hatch

Travel for meetings and conferences, including programmatic and administrative/fiscal conferences that benefit the award and are necessary to accomplish the goals of the award are allowable, so long as the costs are reasonable and consistent with MSU's travel policies. This includes insular area travel to conferences/trainings that are directly related to the project, benefit the project, and are allocated appropriately.

Multistate

Travel to multistate research meetings is allowable so long as it is in support of program objectives and in accordance with institution policies and procedures. Travel to other conferences/trainings is not permitted.

International Travel

Hatch

All international travel must be pre-approved by the Associate Director of MAES to ensure it supports the approved project. Supporting documentation as to the allowability of the foreign travel and approval for the travel is required. Travel costs must be consistent with [MSU's travel policy](#) and typically include airfare, lodging, per diem, and conference registration fees.

Multistate

International travel is not allowed on Multistate funds.

90 Day Memo

Because Hatch and Multistate funds (923XXX and 924XXX indexes) are federal funds, a 90 Day Memo is required whenever a payroll or finance correction is made moving expenses on or off MAES funds 90 days or more after the original expense was incurred. This memo should contain:

1. The cause of the error
2. How the expense directly benefitted the destination project
3. Assurances that the cause of the error has been corrected (to ensure that the same error or type of error will not reoccur)
4. A description of the extraordinary circumstance warranting the cost transfer
5. Approval and signature of the Principal Investigator

Multistate Fund Dissemination

There are two types of Multistate projects: Multistate Research Projects and Coordinating Committee & Information Exchange Groups. Each type has its own funding structure.

Multistate Research Projects

Multistate Research Projects (MRPs) are allocated per project, regardless of how many researchers are involved in the project. If all researchers are from one department, funds will be allocated to the department and the Department Head will determine how this is disseminated. If the researchers are in different departments, the funds will be split evenly between the departments for Department Heads to disseminate accordingly.

Coordinating Committee & Information Exchange Groups

Coordinating Committee & Information Exchange groups are allocated funds per project to the designated MSU representative for travel fees to the annual Multistate meeting. The funds may be distributed to others at the designated representative's discretion.

Additional Information

This document may be updated at any time due to Federal, State, University, or College policy changes. If you have questions about allowable costs or the required documentation, please contact Emily Williams at MAESAdmin@montana.edu or call 406-994-5071.