Questions and Answers

M21AS00387

Question 1: We understand that the 17.5% overhead rate applies to the lead institution budget. We would be grateful for clarification on the allowable overhead rate for subcontracting institutions. Can the subcontracting institutions apply their full institutional overhead rates or are they also required to use the 17.5% rate?

Answer 1: The CESU rate of 17.5% applies to the non-federal partner (Applicant/Recipient). Please consult with your Office of Grants & Contracts Administration for further guidance on subaward proposals and/or more specific information may be found on the CESU website.

Question 2: On page 9 of the announcement under "e. Equipment" it states: *"Under no circumstances shall property title be vested in a sub-tier recipient."*. Can our subawardee purchase the equipment and is there a way to waive the title restrictions?

Answer 2: The referenced statement applies to the Applicant (Recipient of the award). If the Recipient purchases equipment, then title shall be vested solely with the recipient vs. a sub-tier recipient. In addition, equipment will be managed in accordance with 2 CFR 200.313.