
To: AURA NSF Center Management and Human Resources

From: Deborah Gronet, Compliance Officer *DAG*

Date: November 7, 2018

Re: Allowability of short-term and long-term visa costs, Green Cards and other ancillary costs associated with immigration as well as passport costs

CC: Debbie Johnson, Chris Richardson, CAS Managers

Purpose: This memo will serve to address some recent questions about AURA's payment of visa and passport costs. It is not intended to comprehensively address all scenarios involving visa and passport costs.

Executive Summary and Action required

- **Short-term travel visa costs** incurred in conjunction with the recruitment of a new employee to perform research critical and necessary for the conduct of a Federal award in the U.S. (including visa renewal costs and attorneys' fees) are an allowable direct cost provided that (i) AURA policy covers the payment of such costs and (ii) other requirements are met.
- **Long term immigration visas** (to become a permanent U.S. resident) and all ancillary costs incurred to obtain such a visa (such as medical examination costs and attorneys' fees, for example) are unallowable since the purpose of the visa is not to perform work on a particular Federal award, but rather to become a permanent U.S. resident.
- **The cost of an Organización Internacional (OI) visa** (including any renewal costs) for the recruitment of a new employee or for an existing AURA employee transferred to Chile to perform work on a Federal award in Chile is a cost chargeable to a Federal award provided that (i) the payment of such costs is covered in AURA policy and (ii) other specified requirements are met.
- **Passport** costs are an unallowable cost. Since passports are not issued for a project specific purpose and can be used for multiple trips over the years that involve business or pleasure, the cost is unallowable.
- **Action Required:** All NSF Centers and Human Resources must observe the rules specified in this memo. Any approved unallowable costs must be charged to an unencumbered income source.

I. Explanation

A. Short-term Travel Visa Costs (U.S.)

- Uniform Guidance (“U.G.”) §200.463 “Recruiting Costs,” subsection (d) differentiates between short-term travel visas and longer-term immigration visas. It states that: “Short-term, travel visa costs (as opposed to longer-term, immigration visas) are generally allowable expenses that may be proposed as a direct cost” provided the requirements of 200.463 (d) are met.
- A short-term travel visa is defined in the U.G. as a visa “issued for a specific period and purpose,” that “can be clearly identified as directly connected to work performed on a Federal award.” The “Commentary to the U.G.” discusses the need to include short term travel visa costs under “recruitment” as an allowable cost in order for organizations to recruit individuals short-term to perform critical research on Federal awards.
- Under U.S. immigration law, a short-term travel visa is a nonimmigrant visa that is issued to a person with a permanent residence outside the United States, but who wishes to be in the U.S. on a temporary basis for tourism, medical treatment, business, temporary work or study, etc. Examples of allowable short-term travel visas in the U.S. include: H-1B, TN, E-3, O-1, J-1.
- UG §200.463 (d) states that for short-term travel visa costs to be directly charged to a Federal award, they must:
 - (i) Be critical and necessary for the conduct of the project;
 - (ii) Be allowable under the applicable cost principles;
 - (iii) Be consistent with the non-Federal entity’s cost accounting practices and non-Federal entity policy; and
 - (iv) Meet the definition of “direct cost” as described in the applicable cost principles.
- The renewal of a short-term visa for an employee to continue/complete work on a Federal award is allowable, since the purpose of the renewal is to permit the employee to complete the work that they were recruited to perform. If the visa is not renewed, AURA would be required to recruit a substitute employee to complete the work at an additional expense over and above the cost of renewing the visa.
- Attorneys’ fees incurred to obtain a short-term travel visa or its renewal as described here are an allowable cost.

B. Long-term Immigration Visas (U.S.)

- A long-term immigration visa is a visa issued to someone who wants to live permanently in the U.S. Examples of long-term immigration visas include: Forms I-140 (Alien petition to work in U.S. on permanent basis), and I-485 (application for Green Card to become permanent resident).
- The UG §200.463(d) directly states that long-term immigration visa costs are unallowable. Reasons for this include the following:
 - ♦ Unlike short-term travel visas, long-term immigration visas are not issued for a specific period and purpose that can be clearly identified as connected to work performed on a Federal award.
 - ♦ The purpose of a long-term Immigration Visa is not to perform work on a particular Federal award, but rather to become a permanent resident.
- Ancillary costs related to obtaining a long-term immigration visa such as, for example, attorneys’ fees incurred to obtain the visa and the cost of a medical exam to obtain a Green Card are unallowable because the cost of the long-term immigration visa is unallowable.

C. Chile: Official International (OI) Visas for new employees or for U.S. based AURA employees who work for AURA in Chile for a time period that exceeds 180 days

- Pursuant to Chilean legislation enacted for the benefit of AURA to operate an observatory in Chile, non-Chilean citizens who work for AURA in Chile (whether they are newly recruited or an existing AURA employee who has been recruited to work in Chile) must obtain an OI visa (no exceptions).

An OI visa is a short-term work and residence visa that permits non-Chilean citizens to perform work in Chile beyond a 180-day period and for up to two years. An OI visa may be renewed for successive two-year periods; however, it is not a permanent residence visa. Since OI visas are issued for a specific period and purpose, and they can be clearly identified as directly connected to work performed on a Federal award, their costs (including renewals) are allowable provided they meet the four requirements in the fourth bullet point listed in I A above.

- Attorneys' fees incurred in connection with the acquisition or renewal of an OI visa is an allowable cost.

D. Passport Costs

- Since passports are not issued for a project specific purpose and can be used for multiple trips over the years that involve business or pleasure, the cost of obtaining or renewing a passport is unallowable.

II. Development of AURA Policy to cover Short-term Travel Visa Costs and the Cost of OI Visas.

An AURA Policy covering the payment of short-term travel visa costs and the costs of OI visas has been developed and steps will be taken to add this to the AURA policies either as a stand-alone policy or as an additional subsection of an existing AURA Policy such as Relocation or Reimbursement of Travel Expenses.

III. Compliance with Allowable Costs Requirements-Action Required

All Center and HR personnel must observe the cost allowability rules in this memo. Unallowable costs must be charged to unencumbered income sources. Please contact me directly to discuss any questions about this memo or any situation involving visa and/or passport costs not covered by this memo.