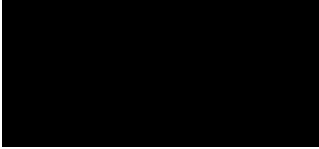


Facilities and Administrative (F&A or Indirect) Cost Policy

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01. Definition of Facilities and Administrative Costs

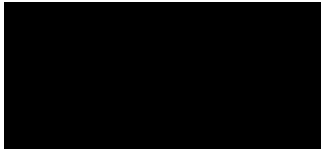
Facilities and Administrative Costs (also know as F&A or Indirect Costs) are general institutional expenditures that are incurred for multiple or shared projects, functions or activities and therefore cannot be specifically identified with relative ease and with a high degree of accuracy to a sponsored project.

F&A Costs are incurred in the following areas:

Depreciation, maintenance, and utilities for University buildings and equipment;
Departments for the administrative effort of clerical, faculty and other professional personnel involved in various missions of the school;
Expenses for offices that serve the entire University, such as Human Resources, Purchasing, Finance and Planning, Office of Sponsored Projects and Economic Development;
Central operations such as facilities, telecommunications, and libraries.

02. Policy Statement

1. It is the policy of the University to charge all sponsored projects Facilities and Administrative (F&A or indirect) costs at the appropriate federally approved rate. The exceptions to this policy are:
 - a. Awards from not for profit sponsors and government which have a stated policy of awarding funds with an F&A rate at other than the negotiated rate, e.g. foundations and charitable organizations;
 - b. Other awards which have been specifically approved by the Provost at an F&A



04. Who Needs to Know This Policy

Any employee who is involved with the administration of sponsored agreements should be familiar with this policy. This includes:

- Central and departmental sponsored project administrators
- Deans ¶ V W D I I
- Department Chairs
- Principal Investigators
- Sponsored Research and Economic Development Office
- Other research personnel who are involved with sponsored awards.

05. Current Facilities and Administrative Rate

The F&A rate is developed by the University in accordance with OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Final Rule (Uniform Guidance) D Q G Q H H Z M W D W H S D U W R H H Q D W B G + X P D G H U Y L F H V W K H 8 Q L Y H U V L W \ federal cognizant audit agency. The University has an on-site and an off-site rate used for all programs (refer to Facilities and Administrative Procedures). Effective Ju 01, 20 through June 30, 20 the current F&A on-site rate is % of salaries and wages, off-site rate is 30% of salaries and wages.

06. Allocation of Facilities and Administrative Funds and Salary Relief

At the end of a fiscal year, Finance and Planning will determine the amount of F&A costs recovered and allocate 50% among the Deans based upon the total earned by each school, 20% to the Provost, W R W K H 8 Q L Y H U V L W \ ¶ V and the remaining 30% will be X G J H W allocated to the Principal Investigators whose grants generated indirect recovery. Each Dean is notified of his/her V F K R R O ¶ V V K D U H D Q G in the Principal Investigators and their W K H 3 U appropriate share. The Office of Budget and Planning increases the school budgets in the next fiscal year accordingly. For example, the F&A costs earned in FY14 will be allocated at the beginning of FY15. Each Dean will be responsible for allocating funds to the Principal In04 ()JTJ -89.5te7992 (nc)g