

## Facilities and Administrative (F&A) Costs

Facilities and Administrative (F&A) Costs, sometimes known as indirect costs, are the mechanism the Federal government uses for the University to recover costs that cannot be easily assigned to specific projects, so they are charged on an average basis to all projects. It is important to note that the final approved rates are less than the University's actual costs calculated due to a regulatory cap on administrative expenses and negotiations between the University and the Federal negotiators regarding facility costs. Some sponsors limit the amount of indirect cost recovery to the University.

### F&A Costs

The current Predetermined Facilities and Administrative (F&A) Cost Agreement, which is available on the Office of the Controller's website (<http://controller.nd.edu/research-sponsored-programs-accounting/rate-agreements/>) was negotiated with the University's Cognizant Audit Agency, the Department of Health and Human Services.

The following table shows the 2015-2019 F&A Rates:

2015-2019 RATES		
Proposal Type Location	On-Campus F&A Cost Rates	Off-Campus F&A Cost Rates
<b>Research</b> 7/1/2015 – 6/30/2019	54.5%	26.0%
<b>Instruction</b> 7/1/2015 – 6/30/2019	52.0%	26.0%
<b>Other Sponsored Programs</b> 7/1/2015 – 6/30/2019	30.0%	26.0%
<b>Radiation Laboratory</b> 7/1/2015 – 6/30/2019	29.0%	22.0%

**Off-campus:** For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project. In order to use the off-campus rate you must receive approval. It is best to do this before your budget is prepared. Please work with your designated research administrator.

### **Other Sponsored Programs Rate**

**Other Sponsored Programs:** Other Sponsored Programs (OSP) are defined as projects funded by sponsors that involve the performance of work other than Sponsored Instruction or Sponsored Research. OSP projects include:

- Public or community service activities.
- Support for students, staff, or teachers in elementary or secondary schools, or the general public, through outreach-related activities.
- Testing: If a company is providing the testing protocol and the University is following the protocol and reporting the results of the testing, then we should treat this as an Other Sponsored Program (OSP), applying the OSP F&A rate. However, if we are designing the test protocol, evaluating and analyzing the results are requested, then that fits more closely with research and the Research F&A rate should be applied, as we become responsible not only for the results, but the testing methodology. If IP or new discovery is expected to result then the Research F&A rate should be used.
- Travel grants.
- Foreign capacity building projects.
- Support for conferences or seminars.
- Support for University public events in the Arts.
- Support for projects pertaining to library collections or acquisitions.

Find additional financial-related research administration policies at: <http://controller.nd.edu/policies-procedures/#rspa>.