

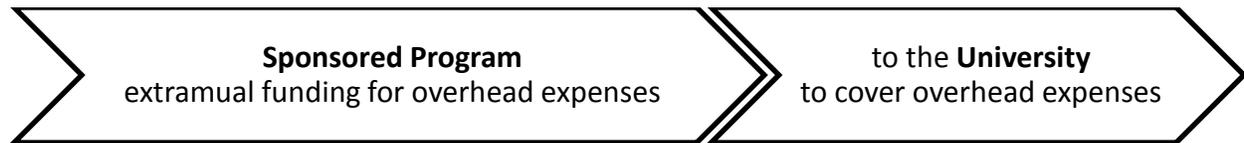
Policy Name: Facilities & Administration (F&A)/Indirect Costs

Effective Date: 7/1/2013

University Division: Academic Affairs, OSPR

Definition: Facilities & Administrative (F&A) Cost; also referred to as the Indirect Cost (IDC); Overhead Costs

The costs incurred by a project that cannot be clearly identified and assigned to that project (local telephone charges, administrative support, library use, building costs, utilities, etc.).



- **Cognizant Agency:** U.S. Department of Health and Human Services
- **Effective Period:** 7/1/2013-6/30/2017
- **Rate:** 41% of Modified Total Direct Costs (MTDC)

MTDC Base Includes:

1. Salaries & Wages	2. Fringe benefits	3. Materials
4. Supplies	5. Services	6. Travel
7. Equipment (up to \$5,000 acquisition cost per unit)		
8. Subgrants/subcontracts up to first \$25,000 of each subgrant/ subcontract regardless of the period covered by subcontract		

MTDC Base Excludes:

1. Equipment (acquisition cost over \$5,000 per unit)	2. Rental costs of off-site facilities
3. Tuition remission	4. Scholarships and fellowships
5. Capital Expenditures	6. Charges for patient care
7. The portion of each subgrant/subcontract in excess of \$25,000	

ULM's current federally negotiated F&A rate agreement can be downloaded from the OSPR website.

Terms: Facilities & Administrative (F&A) Cost

1. This policy applies to extramural funding from awards made to the university by a sponsored program - agencies and third parties - for research, instruction, or public service projects.
2. This policy does not apply to donations, fees or other accounts receivables.
3. ULM will comply with sponsored programs F&A cap (limit) as long as it is put in writing by the sponsored program, uniformly applied, and made available to OSPR during the pre-awards stage.

4. OSPR may negotiate a reduced F&A rate with the sponsored program on the PI's behalf for projects with a total direct cost of \$20,000 or less a year.

5. Projects with direct costs over \$20,000 a year must use ULM's MFT rate of 41% or sponsored program's F&A cap if it is less.

Procedures: Facilities & Administrative (F&A) Cost

Pre-Award

1. The PI will calculate the F&A on the budget form provided by OSPR in the Proposal Routing and Approval Forms (PRAF) <http://www.ulm.edu/research/forms.html>.

2. If applicable, the PI will provide sponsored program's F&A cap documentation to OSPR with PRAF.

Post-Award

1. F&A must be included on the Master Budget Form, Banner Account number 703346.

2. The Controller's Office, Grants and Contract's Division will continuously deduct F&A from the account as it is earned and report on the financial statements as directed by the sponsored program.