Subject: Applying Facilities & Administrative (F&A) costs to Sponsored Projects

Effective Date: August, 2014

Issued By: The Office of Research Administration (ORA)

Responsible parties:

- Office of Research Administration staff
- Researchers
- Principal Investigators
- Departmental Administrators and other departmental staff
- Deans and Departmental Chairs
- Office of Research Administration staff

Background:

In accordance with federal requirements, different F&A rates have been established for on-and off-site projects as well as different F&A rates for research & development, training and service awards. Thus, identification of what type of project and/or where a project will be performed is necessary to determine which rate to apply. There are also different rates based on the sponsor.

Space is designated as on-site and the on-site rate is applied if the majority of research activity is conducted in space owned or leased by the University and is used predominantly for research purposes. Thus, the on-site rate is applied to all basic/bench research, epidemiological studies and clinical research performed in space designated as research space and paid for by the University. If rental and facilities costs are not charged directly to the project and the lease is a part of the space costs factored into the University’s F&A rate, then the project is considered on-site and the on-site rate applies.

Space is designated as off-site and the off-site rate is applied to projects where the majority of research activity is conducted at a location other than the University's facility and the cost of the lease and related facility costs are directly charged to the project. Additionally, if the space and/or space costs are donated by the sponsor or another entity, then the project is classified as off-site. Documentation confirming the off-site status of the location where the project will occur must be included with the proposal budget submitted to Sponsored Projects Administration.
**Policy:**

In accepting a grant or contract from a sponsored entity ("Sponsored Project"), the University is obliged to apply the applicable Facilities and Administrative (F&A) rate (commonly referred to as IC) to the appropriate direct cost base.

In the instance of Foundation funding, the University will accept the Foundations’ F&A rate posted on their website.

The University will not accept requests for a reduced F&A rate. The only time an F&A rate will not be budgeted or charged are situations in which the sponsor does not allow it, as stated on their website or in their Funding Opportunity Announcement.

**Downstate’s Rate Agreement**
**Institutional Information for Grants/Contracts**