

80.13 Facilities and Administrative Cost Waiver Policy

Approval Authority: Cabinet
Responsible Executive(s): Provost and Vice President for Academic Affairs
Responsible Office(s): Office of Sponsored Programs
Effective Date: March 20, 2018

I. Purpose of this Policy

The University receives funding from federal, state and other sponsors in support of research, instruction and other activities awarded through grants, contracts and cooperative agreements (“Sponsored Projects”). Facilities and administrative (“F&A”) costs, also known as indirect costs, are those costs associated with the infrastructure that supports the University’s research enterprise (e.g., buildings and their maintenance, libraries, etc.) and that cannot easily be determined for each Sponsored Project. It is the University’s policy that the allowable F&A cost rate shall be used in creating the budget for each Sponsored Project. This Policy clarifies the limited circumstances under which exceptions may be made.

II. Policy

The University requires that F&A costs be included in all Sponsored Project proposal budgets and that F&A costs be recovered to the maximum extent possible. Exceptions to the requirement should be sought prior to proposal submission, subject to the following:

- A. Appropriate fiscal management of a Sponsored Project, including the application of appropriate F&A rates in proposed Sponsored Project budgets and resulting awards, is the responsibility of the principal investigator (“PI”). When a PI believes that a waiver or reduction of the University F&A rate should be sought, the PI must immediately communicate an intent to seek a waiver or reduction to the Provost or the Vice Provost for Research.
- B. Prior to a proposal submission that includes a waiver or reduction of University F&A costs, the PI must obtain written approval of the Provost or the Vice Provost for Research or, in their absence, by a designee of the Provost.
- C. The Provost or Vice Provost for Research may approve a reduction or waiver in the amount of the F&A charged on a Sponsored Project based on the circumstances at the time and following a determination by the Provost or Vice Provost for Research that extenuating circumstances warrant an exception to the recovery of the full amount of F&A costs.