

Facilities and Administrative

Facilities and Administrative (F&A)

University Procedure

The University's full negotiated F&A rate must be applied unless the agency has a published policy on the F&A restriction.

What is a Facilities and Administrative (F&A) Rate?

An F&A rate is the federally approved rate for reimbursement of facilities and administrative costs on sponsored projects. Determining an F&A rate is a detailed, data-intensive, time-consuming process, and is meant to capture as best as possible the actual costs of administration and facilities supporting sponsored projects. The cognizant federal agency responsible for approving the University's F&A rate is the Department of Health and Human Services (DHHS).

Why is an F&A Rate important to the University at Albany?

Recovered F&A costs strongly impact the University's ability as a whole to expand and grow research capacity, infrastructure and service; and as such, it is very important that individual projects charge the full and appropriate F&A rate as dictated by our federally-negotiated agreement.

What is Modified Total Direct Costs (MTDC)?

MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and sub-awards and subcontracts up to the first \$25,000 of each sub-award or subcontract (regardless of the period of performance of the sub-awards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each sub-award and subcontract in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

Reference: [RFSUNY and University at Albany Negotiated Indirect Cost Rate Agreement](#)

Off-campus F&A and Non-Standard F&A Rates

Off-Campus Definition: An off-campus rate is applicable to those projects conducted in large part at facilities not owned or operated by the University, which include charges for facility

rental as a direct expenditure. Subawards, consultants and vendor services are not considered under this off-campus determination. Note that convenience, telecommuting, conferences, and summer travel are not justifications for the off-campus determination.

Inclusion of Non-Standard F&A Rate or return in Budget: UAlbany's full negotiated F&A rate must be applied unless the agency has a published policy on the F&A restriction. Requests for exceptions (rarely granted) are to be made by completing the Request for F&A Reduction form and forwarding to your Pre-award RA at least five business days prior to the proposal deadline.

Reference: [Request for F&A Reduction](#)

What happens when the sponsor's F&A rate is restricted to a rate lower than the UAlbany's?

If an agency has a published policy including a restricted F&A rate lower than the University at Albany's current Federally-negotiated F&A rate, and the agency does not specify how the rate is to be applied, the agency's lower restricted F&A rate will be applied to Total Direct Costs (TDC).

The **Request for F&A Waiver Request may not be required by SPA** when acceptable documentation of the sponsor's requirement is submitted to SPA. Acceptable documentation of a sponsor's restriction on F&A can be in the form of the requirement as it is outlined in the sponsor's RFP or sponsor guidelines, or in an e-mail or letter format obtained from an authorized representative of the sponsor.