

Facilities and Administrative Costs Policy

Issued: November 2014

PURPOSE

As an authorized auxiliary of Humboldt State University (HSU), one of the responsibilities of the Humboldt State University Sponsored Programs Foundation (SPF), is to manage grants and contracts awarded by various Federal agencies, units of state and local governments, and private foundations and corporations to support research and educational programs conducted by HSU faculty and administration.

The purpose of this policy is to provide direction for recovery of all program costs of grants by requiring that facilities and administrative (“F&A”) costs are included in the proposed budgets.

SPF has a multi-year Facilities and Administrative (F&A/Indirect Cost) rate agreement with the federal government. This agreement specifies the F&A cost rates to be applied to awards from both federal and non-federal sponsors. The agreement is dated January 30, 2012, and is effective from July 1, 2011 through June 30, 2016.

Exceptions to these rates occur when a funding agency places a cap on the F&A rate. In this case, the Office of Research, Economics and Community Development (ORECD) must have written guidelines from the funding agency stating that there is a limit on F&A costs.

Any variation from the rates described above must be approved by the Dean of the College and the Executive Director of SPF supporting the Principal Investigator’s proposal. ***Please note that Principal Investigators are not authorized to negotiate F&A with sponsors.***

From	To	Rate	Location	Category
7/1/2011	6/30/2015	45.00	On-Campus	All Programs
7/1/2011	6/30/2015	22.50	Off-Campus	All Programs
7/1/2015	6/30/2016	45.00	On-Campus	All Programs
7/1/2015	6/30/2016	22.50	Off-Campus	All Programs

DEFINITIONS

On-Campus: A project, or part of a project, is considered to be performed *on-campus* if the activity is conducted on HSU property and the majority of the F&A costs (operation and maintenance, depreciation or lease of buildings, equipment and improvements, etc.) associated with the University's facilities is applicable. If the project is not charged directly for the lease/rental costs and the lease is a part of SPF’s F&A rate, then the project is considered on-campus.

Off-Campus: An off-campus project is one that is conducted (1) in leased facilities where space related



costs (e.g. rent, utilities, and maintenance) are charged directly to the program, or (2) in facilities made available (in writing) at no cost to the program by a non-University organization, or (3) away from the University over an uninterrupted period of time in excess of 90 days. Please note that field and data collection activities are not considered off-campus activities.

Organized Research: All research and development activities at HSU that are separately budgeted and accounted for, including both *Sponsored Research* and *University Research*.

Sponsored Research: All research and development activities at HSU that are externally sponsored by federal and non-federal entities. This term also includes activities involving the training of individuals in research techniques (research training). Examples include:

- Awards to faculty to support their research activities, including “Career Development” awards
- Funding to maintain facilities or equipment, and/or support a facility, used for research
- Support for publishing research results

University Research: All research and development activities that are separately budgeted and accounted for by HSU under an application of institutional funds. Examples include:

- Cost sharing
- Institutional funds distributed through a competitive process, where the proposed activity is characterized by the same factors that identify a sponsored project

Instruction: Externally sponsored teaching and training activities at HSU, including agreements which support curriculum development. Examples of such projects include:

- Instructing any type of student at any location (HSU students/staff, teachers or students in elementary or secondary schools, the general public, etc.)
- Curriculum development projects, including those evaluating curriculum or teaching methods. Evaluation may be considered "research" if the majority of activity involves data collection, evaluation and reporting.
- Engaging HSU students in community service activities for which they receive academic credit
- Support to write textbooks, reference books, video, or software to be used as instructional materials

Other Sponsored Activities: Academic projects funded by sponsors in which activities involve the performance of work other than instruction or sponsored research. Examples include:

- Travel grants (other than travel to support research activities)
- Support for conferences, symposia, or public events
- Support for student participation in community service *that does not earn academic credit*
- Support for projects related to library collections, cataloguing, acquisitions, bibliographies
- Programs to enhance institutional resources (computer system upgrades)

GUIDELINES FOR OFF-CAMPUS RATES

An off-campus project is one that is conducted (1) in leased facilities where space related costs (e.g. rent, utilities, and maintenance) are charged directly to the program, or (2) in facilities made available (in



writing) at no cost to the program by a non-University organization, or (3) away from the University over an uninterrupted period of time in excess of 90 days. Please note that field and data collection activities are not considered off-campus activities.

Projects that are conducted at two or more locations and supported by a single grant or contract require special consideration in determining the appropriate indirect cost provision.

The following principles should be observed for determining the appropriate indirect cost provision:

- If the annual direct costs total for the grant/contract is less than \$250,000, a single indirect cost rate will be applied. The applicable rate in such situations will correspond to the location hosting the majority of the project's salaries.
- If the annual direct costs total for the grant/contract is \$250,000 or more, the appropriate rates should be applied to project costs at each location, using the proportion of project-supported salaries at that location as the basis for applying/distributing indirect cost rates to the other MTDC project costs.
- The other locations must meet the criteria for "off-campus" rates (see above).

Below is an example where direct costs are \$275,000 and 70% of the salaries will be expended at the **on-campus location**.

	On-campus	Off-campus	Total
Salaries (70% on-campus, 30% off-campus)	\$105,000	\$45,000	\$150,000
All other MTDC (70% on and 30% off)	\$ 70,000	\$30,000	\$100,000
Total MTDC	\$175,000	\$75,000	\$250,000
Equipment	\$ 25,000	N/A	\$ 25,000
Total Direct Costs	\$200,000	\$75,000	\$275,000
IDC (45% on-campus, 22.5% off-campus)	\$ 78,750	\$16,875	\$ 95,625
Total Costs	\$278,750	\$91,875	\$370,625