



BOISE STATE UNIVERSITY

University Policy 6080

Facilities and Administration (F&A) Cost Rates and Waiver or Partial Waiver of F&A Costs

Effective Date

October 1983

Last Revision Date

December 21, 2021

Responsible Party

Vice President for Research and Economic Development, research@boisestate.edu
Chief Financial and Operating Officer and Vice President for Finance and Operations,
vpcf@boisestate.edu

Scope and Audience

This policy applies to all sponsored project activity.

Additional Authority

- Idaho State Board of Education Policy, Section V.N.
 - University Policy 6100 (Allocation and Distribution of Recovered Facilities and Administrative Costs)
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1. Policy Purpose

To apply the full and relevant Facilities & Administration (F&A) Cost rate to all externally sponsored projects, establish the procedure for requesting a waiver or partial waiver of F&A Costs for specific proposals, and establish the criteria on which waiver decisions are made.

2. Policy Statement

F&A Costs are real costs incurred by the institution and as such are expected to be recovered on all sponsored projects. Requests for full or partial waivers of the F&A Costs are rarely granted by the Office of the Vice President for Research and Economic Development (VPRED) in consultation with the Chief Financial and Operating Officer and Vice President for Finance and Operations (CFO).

3. Definitions

3.1 Facilities and Administration (F&A) Costs

Costs the university incurs to support externally-funded projects, programs, or activities. Unlike direct costs, these cannot be easily identified with and charged directly to a project, program, or activity with any reasonable degree of accuracy or without an inordinate amount of accounting. Examples include operation and maintenance of buildings and grounds, utilization of equipment and libraries, and administration of projects or programs at the institutional, college, and department levels.

4. F&A Cost Rates

- a. For grants, contracts, and agreements with the federal government, the F&A Cost rates shall be those negotiated between the university and the U.S. Department of Health and Human Services (HHS); these rates normally include an on-campus rate, an off-campus rate, and a rate for research, instruction, and other sponsored activity.
- b. For grants, contracts and agreements with units of Idaho state, county or city government, the F&A Cost rate will be twenty percent (20%) of the total direct cost. However, if the funding is federal pass-through, then Section 4.a applies.
- c. For sponsored projects with private entities, whether profit or nonprofit, the appropriate negotiated federal F&A Cost rate shall be used.

5. Waiver or Partial Waiver of F&A Costs

- a. The University applies the full relevant F&A Cost rate to all externally sponsored projects. Requests for full or partial waivers of the F&A Costs normally incurred by sponsored projects are rarely granted by the Office of the VPRED.

- b. An F&A waiver request is required ten (10) University business days prior to the deadline of the proposal due date. The VPRED, in consultation with the CFO, is responsible for final approval or denial of the request. As a means of determining the costs and benefits of waiver requests, the following factors will be taken into consideration:
- The grounds on which the waiver might be justified to other faculty whose projects carry full overhead;
 - The total cost to the University;
 - The likelihood that an award would be seriously jeopardized without a waiver and the potential effect of the loss on the faculty member's overall research program;
 - The benefit of the waiver to new or junior faculty members or in support of research efforts in new directions which otherwise might not be sufficiently developed to attract typical peer-reviewed awards;
 - The effect of a waiver to increase direct costs available for student support.
- c. Waiver of F&A Costs will not be granted where any of the following apply:
- The research is sponsored by a profit-making or foreign organization;
 - The research involves any requirements imposed by the sponsor with respect to intellectual property;
 - Granting the waiver might appear to establish precedent for future projects.
- d. Discretionary reductions or waivers of indirect costs must be reported annually to the Idaho State Board of Education.

- e. If a principal investigator (PI) submits a proposal without the appropriate University review and approval, and an award is made without adequate budget, the university may deny the award, or require the PI to provide a fund source to cover the waived F&A.
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Last Review Date

November 30, 2023

Revision History

July 1995; September 2004; April 2013; December 21, 2021