



SAINT LOUIS UNIVERSITY

Procedure for Determination of Facilities and Administrative/Indirect Cost Rates

Procedure Number: PRA-01

Version Number: 1.0

Classification: Research

Effective Date: July 1, 2014

Responsible University Office: Vice President for Research

PROCEDURE

Determination of F&A rate

Facilities and administration (F&A/indirect) rates are based on audits of actual University expenses and then are negotiated with the Department of Health and Human Services (DHHS). Different rates are applied to different categories of sponsored activities. DHHS expects that the University will use similar rates for both federal and non-federal sponsored program activities, unless a specified exception process is followed.

Assignment of the correct F&A rate depends on correct classification of the type of program for which an award is sought. Award classifications are based on the function described in the scope of work. Three classifications exist: Research and Development (R&D), Instruction, and Public Service/Other Institutional Activities (Other). These three categories cover all types of sponsored programs—no other F & A categories exist.

Typically, federal agencies designate the function of the funds that they award in the program announcement with a specific assignment related to the Catalog of Domestic Assistance (CFDA—see [http:// www.CFDA.gov](http://www.CFDA.gov)). The University classifies awards it receives so that they are consistent with the designation of the CFDA under which the funds have been awarded.

Some funding announcements, however, may not have an assigned CFDA. When the funds do not have a CFDA assigned, or the program announcement is not clear, the program classification is based on the following criteria,

- If the scope of work to be performed is Research and Development in nature, then the designation is R & D,
- If the scope of work to be performed is instruction in nature, then the designation is instruction.
- Any activities that do not meet the criteria above are designated other.
- If the function in the scope of work is unclear, or uncertain, the default function is R & D.

Federally-Negotiated F&A Rates

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RATE APPLIES TO	ON-CAMPUS	OFF-CAMPUS	EFFECTIVE PERIOD
Organized Research (Incl. federally-sponsored clinical trials)	51.5% MTDC	26.0% MTDC	7/01/2013- 6/30/2015
Instruction (Including Title IV-E)	45.0% MTDC	26.0% MTDC	7/01/2013- 6/30/2015
Other Sponsored Activities	27.5% MTDC	26.0% MTDC	7/01/2013 – 6/30/2015

Under new federal regulations for Federal research proposals, voluntary committed cost sharing (e.g., charging an F&A rate lower than the designated rate) is not expected or allowed. Further, it cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity (OMB Circular A-81).

Other Sponsor-Established Rates

The link below includes rates that have already been approved by OSPA for use in sponsored projects' proposals and awards. It is not necessary to use the F&A exception/reduction process to use one of these pre-approved rates. This includes many but not necessarily all approved other sponsor rates. For questions regarding rates for other specific sponsors, contact OSPA.

https://docs.google.com/a/slu.edu/document/d/1O82W9rD_AWwkOYrd_98QFH-jG4qUcPFbtg4ZPkdkC1U/edit

For those agencies and non-profits that have a **written** policy posted that broadly limits indirect costs that are allowed and/or in the case of a Congressional Act that limits indirect costs, the University will accept the maximum allowed under that policy/Act. Please furnish evidence (e.g., a copy of the agency web page citing the rate, a copy of the agency published guidelines, a letter from the grants office at the sponsor, a reference to the applicable Act) to OSPA.

If the University determines that the agency or sponsor who has asserted a published lower rate is actually paying other grantees their full rate, the University will rescind the reduction, and collect full F&A for the Project. In addition, the entity may be subject to additional monitoring.

Exceptions are not granted to for-profit sponsors, as these entities are expected to pay full F&A.

Industry-Funded Clinical Trials

RATE APPLIES TO:	ON-CAMPUS	OFF-CAMPUS	EFFECTIVE PERIOD
Industry-Funded Clinical Trials	35.0% TDC	35.0% TDC	07/01/2014 – 6/30/2015

APPROVAL SIGNATURES

This procedure has been approved by:

Raymond C. Tait, Ph.D.

June 26, 2014

Date:

Vice President for Research
Saint Louis University

DOCUMENT HISTORY

EFFECTIVE DATE	VERSION NUMBER	MODIFICATION
July 1, 2014	1.0	New Document