



# Facilities & Administrative (F&A) Cost Recovery Policy

**Effective Date:** February 1, 2018

**Supersedes:** Indirect Cost Recovery Policy

**Policy Review Date:** 3 years from effective date

**Issuing Authority:** Research Foundation President

**Responsible Party:** Chief Financial Officer

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## Reason for Policy

This document sets forth the Research Foundation (RF) policy on recovery of indirect Facilities and Administrative (F&A) costs incurred in the conduct of sponsored programs within the State University of New York ("University"). F&A costs are also referred to as indirect costs.

## Statement of Policy

The RF provides services to the University pursuant to a contract dated June 1, 1977. Regarding indirect costs the agreement states the following. "Allowances by sponsors for the recovery of indirect costs attributable to facilities or services provided by the University such as administrative services, building space, utilities, janitorial services, libraries, etc., shall be deemed to be the costs of the Foundation for the purpose of obtaining reimbursement of such costs from sponsors. The Foundation shall attempt to obtain from sponsors the maximum possible reimbursement of indirect costs and, if applicable, net release time funds, subject to specific procedures and criteria adopted by the University governing the approval of overhead reimbursement rates and reductions or waivers thereof."

In 1991, the RF Board of Directors adopted an income policy based on the principle that campuses are responsible for all costs associated with sponsored program activity, including RF central office costs. Campuses receive an allocation annually of all income they generate less central office costs. Implicit in this policy is an incentive for each campus to maximize F&A cost recovery in order to support sponsored program and other activity.

In 1992, the RF Board of Directors adopted a F&A cost policy that delegated authority for waiving full indirect costs, if necessary, to the campus president, or the president's designee.

The campus president or designee is responsible for assuring that all costs for sponsored program administration (both campus and central office) are covered. Authority of the campus president or designee to accept awards at less than the maximum allowable F&A cost rate is predicated on the ability of the campus to meet its sponsored program administration costs.

The campus Operations Manager (OM) has been delegated the responsibility to maximize the recovery of F&A costs as a function of their appointment as OM by the RF President.

## Responsibilities

The following table outlines the responsibilities for compliance with this Policy:

Responsible Party	Responsibility
Operations Manager or Deputy Operation Manager or Delegate	Attempt to obtain from sponsors the maximum possible reimbursement of F&A costs.

## Definitions

*Facilities and Administrative costs (F&A)*- Expenses associated with the use of University facilities and

various administrative costs that cannot be directly and uniquely assigned to any particular project.

## Related Information

[Indirect Cost Controls and Calculation](#)

[Facilities and Administrative Costs Primer](#)

## Forms

None

## Change History

Date	Summary of Change
February 1, 2018	Updated to new format and references to Facilities and Administration costs (F&A).
	New document.

## Feedback

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