

What are Facilities and Administrative costs (aka, indirect costs or overhead)?

Facilities & Administrative (F&A) costs are real costs that the institution incurs in support of extramural activities but which cannot be directly charged to a specific grant or contract. The costs result from shared services such as libraries, physical plant operation and maintenance, utility costs, general, departmental and sponsored projects' administrative expenses, and depreciation or use allowance for buildings and equipment.

What are the Utah Regent's policies regarding waived or decreased F&A?

Regent's Policy R 532 Acceptance and Approval of Contracts & Grants

<http://www.utahsbr.edu/policy/R532.pdf>

5.1. Research Contracts with No Overhead Reimbursement Costs: All contracts for research that bear no overhead reimbursement cost are to be justified in writing and have recorded in the research administration office of the institution a finding that the project contributed to the education program and role assignment of the institution.

5.2. Contracts and Grants for Less than Finalized Overhead Rate: Contracts of grants for less than the finalized overhead rate should be justified on the basis of educational value and approved by a responsible officer of the institution ...

Regent's Policy R537 Reimbursed Overhead on State and Local Government Contracts

<http://www.utahsbr.edu/policy/R537.pdf>

*3.1 **Ten percent overhead rate:** The institutions of higher education shall charge, as partial reimbursement of costs incurred, a ten percent overhead rate on all contracts with state and local government agencies funded from non-federal sources, unless an overhead charge is expressly prohibited in the RFP issued by the state or local government agency.*

*3.2 **Flow through federal funds:** Funds received by state and local government agencies for federal grants on work contracted to the universities and colleges flow through to those institutions and are charged overhead at the institution's usual overhead rate for federal contracts.*