

UNIVERSITY OF SOUTH ALABAMA



Facilities & Administrative Costs

EFFECTIVE DATE: FEBRUARY 20, 2018

Scope

This guidance applies to all sponsored project budgets submitted to external sponsors on behalf of the University of South Alabama for funding consideration and to those sponsored projects that receive funding from external sources. The practices are specific to distinct projects and any approved deviation should not be considered precedent for future submissions.

Facilities & Administrative Costs

Sponsored project budgets at the University of South Alabama (USA) should include all costs needed to accomplish the objectives presented in the proposal or agreement. The total cost is charged to a sponsored award.

Application

Direct Costs: Direct Costs are those costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be allocated to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either Direct or Indirect. When an institution treats a particular type of costs as a Direct Cost of sponsored agreements, all costs incurred for the same purpose in like circumstances shall be treated as Direct Costs of all activities of the institution.

Base: The F&A rate is applied to a base Direct Cost in order to determine F&A. This is calculated in the following way:

F&A rate is anticipated, the PI should contact SPA in advance of budget development and proposal submission.

Any reduction of F&A rate under conditions other than those identified considered costsharing and therefore must be approved according to the University's cost sharing policy

Failure of the Principal Investigator to submit the proposal via approved institutional channels (e.g., through department, college, and SPA) prior to submission to the sponsor is not cause for a waiver. In these cases, the sponsor will be expected to pay the full applicable F&A rate or the department will be responsible for costsharing that portion of the F&A the sponsor refuses to pay.

In addition, all parties of the review should be attentive to the proper calculation of F&A in the budget. If a proposal includes an error in calculation, the appropriate F&A must still be recorded. Request to the sponsor to appropriately adjust the overall award or reduction in Direct Costs will be necessary to accommodate any error.

Requesting a Waiver

The procedures for requesting a waiver can be found at:

KWWSV ZZZ VRXWKDODEDPD HGX GHSDUWPHQWV UHVHDFK VSD GRFX

Post-Award Impact on F & A Costs

When a sponsor allows re-budgeting of Direct Costs, F&A must be also be re-budgeted for the increase/decrease in F&A that may occur.

reimbursement and recovery during proposal submission. Approved waivers will be uploaded by the unit to Cayuse prior to proposal routing

Grants and Contracts Accounting

The Office of Grants and Contracts Accounting (GCA) is responsible for reviewing all aspects of F&A calculations for awarded projects and entering the appropriate budget into Banner. GCA will monitor F&A throughout the life of the award and ensure necessary budget adjustments are done. Upon completion of the award GCA will ensure that F&A is distributed correctly.

College/School /Department/Division/Center

Units are responsible for reviewing and approving all budgets for sponsored projects. Included in this is the assurance of the application of the correct F & A rate, review of the calculation of F&A, and request for any waiver. The college/school is responsible for clearly delineating the division of responsibilities between the college/school and its departments/divisions.

Principal Investigator

The Principal Investigator (PI) has responsibility for scientific and budgetary decision-making on all sponsored projects, following the University of South Alabama guidelines and federal and other sponsor regulations and policies. The PI is responsible for identifying the need for a waiver and providing adequate justification to support review of any waiver request prior to submission of the proposal for routing in Cayuse.

Online:

<http://southalabama.edu/departments/financialaffairs/grantsandcontracts/facilitiesandadministrative.html>

History

Published February 2018

Responsible Party

Executive Director, Sponsored Projects Administration

Next Review Date

February 2020