



UWG POLICY NUMBER: ?

UWG POLICY NAME: UWG's Facilities & Administration (F&A) Distribution Policy

POLICY: In order to enhance research and sponsored project productivity, the Office of Research & Sponsored Projects/Vice President of Academic Affairs has approved the following distribution of recovered F&A costs. This distribution has been in effect since July 1, 2013.

CONTEXT:

This policy applies to:

- All University of West Georgia Sponsored Grants, Projects, and Fixed Cost Contracts that are reimbursed for the F&A costs incurred by the University.

The Associate Vice President of Academic Affairs is authorized to implement Procedures for compliance with this Policy. Changes to the F&A distribution must be approved in writing by the entity surrendering any portion of their allotted distribution.

ADMINISTRATION & ADDITIONAL RESOURCES

Short Title: "F&A Distribution Policy"

Previous Versions: None

Oversight: Associate Vice President of Academic Affairs

Additional Resources:

A. Definitions

- 1. F&A Costs** - Facilities and Administrative Costs (F&A), frequently referred to as "Indirect Costs", are general operating costs incurred by the University in support of sponsored research. F&A costs are actual costs incurred by the University that cannot be readily identified or associated with a single sponsored project or activity.



2. **Federally Negotiated Rate** – UWG’s current F&A agreement was negotiated and approved in 2011 by the University’s federal cognizant agency. The rate was renewed in 2015. UWG’s F&A rate is 37.5% of modified total direct costs (MTDC).
3. **Modified Total Direct Cost (MTDC)** - This rate includes all direct costs in the proposal budget EXCEPT the following:
 - a. Capital expenditures
 - b. That portion of each sub-award in excess of \$25,000;
 - c. Rental/maintenance of off-site activities;
 - d. Student tuition remission;
 - e. Student support costs (e.g., student aid, stipends, dependency allowances, scholarships, and fellowships)
3. **Cognizant Agency** – the federal agency, which reviews and approves the grantees’ indirect cost rates. UWG’s cognizant agency is the Department of Health & Human Services. Approved rates must be accepted by other agencies, unless specific program regulations restrict the recovery of indirect costs.
4. **Cost Reimbursable** – UWG is reimbursed only for the actual project costs incurred up to the total amount of the sponsored grant award.

B. Procedures

1. The reimbursed F&A costs are recorded into their respective accounts on a quarterly basis. Account balance notifications are sent to each College, Department and PI in November and April.
2. F&A costs are reimbursed to the University when the appropriate direct costs have been incurred.
3. Recovered F&A costs are distributed to the appropriate entities in November and April once the funds have been received from the sponsor.
5. Of the total F&A funds recovered from an individual project,
 - 10% is reallocated to the PI who generated the successful proposal;
 - 5% is reallocated to the PI’s home department;
 - 5% is reallocated to the PI’s home college;
 - 50% is reallocated to the ORSP; and
 - 30% is reallocated to the Vice President of PI’s division.
6. The funds returned to each entity should be used to enhance further research and sponsored activities.