COLUMBIA UNIVERSITY POLICY ON
Application of Facilities and Administrative Cost Rate

Effective Date: January 1, 2017

Executive Summary
In accepting a grant or contract from a governmental agency (“Sponsored Project”), the University is obliged to comply with a number of rules and regulations promulgated by that sponsor. Among those obligations is the requirement that the University apply the appropriate Facilities and Administrative (“F&A”) rate (commonly referred to at the University as the IC or ICR rate) to the direct cost base.

In accordance with federal requirements, different F&A rates have been established for on-site and off-site projects. Thus, identification of where a project will be performed is necessary to determine which rate to apply.

Space is designated as on-site and the on-site rate is applied if the majority of research activity is conducted in space owned or leased by the University and is used predominantly for research purposes. Thus, the on-site rate is applied to all basic/bench research, epidemiological studies and clinical research performed in space designated as research space and paid for by the University. If rental and facilities costs are not charged directly to the project and the lease is a part of the space costs factored into the University’s F&A rate, then the project is considered on-site and the on-site rate applies.

Space is designated as off-site and the off-site rate is applied to projects where the majority of research activity is conducted at a location other than the University’s facility and the cost of the lease and related facility costs are directly charged to the project. Additionally, if the space and/or space costs are donated by the sponsor or another entity, then the project is classified as off-site. Documentation confirming the off-site status of the location where the project will occur must be included with the proposal budget submitted to Sponsored Projects Administration.

Reason(s) for the Policy
To provide guidance to Principal Investigators and others responsible for the administration of governmental sponsored projects on the requirements for determining the appropriate Facilities and Administrative rate for a sponsored project.

Primary Guidance to Which this Policy Responds
Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance")

Revision History
Not Applicable

Responsible University Office
Office of the Controller
Who is Governed by This Policy
Faculty and Staff who are responsible for authorizing, processing and monitoring charges to sponsored projects.

Who Should Know This Policy
.. All persons governed by this Policy [see above]
.. Principal Investigators
.. Departmental Administrators and other departmental staff
.. Deans and Departmental Chairs
.. Office of Research Administration staff
.. Office of the Controller staff

Exclusions & Special Situations
This Policy applies to all governmental sponsored projects.

Policy Text
In accepting a grant or contract from a governmental agency (“Sponsored Project”), the University is obliged to apply the applicable Facilities and Administrative (“F&A”) rate (commonly referred to at the University as the IC or ICR rate) to the appropriate direct cost base.

In accordance with federal requirements, different F&A rates have been established for on-site and off-site projects. Thus, identification of where a project will be performed is necessary to determine which rate to apply. A detailed description of the various rates available and guidance regarding application of the individual rates is as follows:

**On-Campus Rate**
If more than 50% of a research project is to be conducted on campus (i.e., Morningside, CUMC or Nevis campus or at any location within a 50-mile radius of campus), apply the On-Campus Rate Applicable to Research to the project regardless of where the work will be conducted, except:

- For research activities conducted on the LDEO campus, apply the LDEO On-Campus Rate Applicable to Research
- For research activities conducted in facilities (a) located within a 50-mile radius of campus, (b) not owned by the University and (c) where rent is directly charged to the award, apply the Modified Off-Campus Rate Applicable to Research.
- For research activities conducted in facilities (a) located within a 50-mile radius of campus, (b) not owned by the University and (c) where space to conduct the research is donated by the sponsor or another entity, apply the Modified Off-Campus Rate Applicable to Research.

If a research project is awarded with activities apportioned among multiple sites/locations, the On-Campus F&A Rate for the site/location with the preponderance of activity (more than 50% of the research activity) will apply to entire project. If the preponderance of activity is performed on the Main Campus (Morningside, CUMC and Nevis), the On-Campus Rate will be applied(1). If the preponderance of activity is performed on the LDEO campus, the LDEO On-Campus Rate will be applied(1).

(1) See “Off-Campus Modified Rate” below for exception.
**Off-Campus Modified Rate**

For research activities conducted in facilities (a) located within a 50-mile radius of the campus, (b) not owned by the University and (c) where rent is directly charged to the award or where space is donated by the sponsor or another entity, apply the Modified Off-Campus Rate to the research activity.

**Off-Campus Rate**

If more than 50% of a research project will be conducted outside a 50-mile radius of campus, apply the Off-Campus Rate Applicable to Research to the project, regardless of where the work is being conducted, except:

- If more than 50% of a research project will be conducted on the Marcus G. Langseth research vessel, apply the Vessel Operations Rate Applicable to Research to all project activities, regardless of where they are conducted.

In certain instances, multiple rates may be utilized for a single award. When using multiple rates:

- The proposed budget submitted to the sponsor must specify that multiple rates will be used.
- When only one F&A rate is in the proposal but activities are set up internally, the award will need to be re-budgeted between direct and indirect.

F&A rates are published on Sponsored Projects Administration’s Institutional Information page ([http://spa.columbia.edu/proposals/institutional-information#ICRates](http://spa.columbia.edu/proposals/institutional-information#ICRates)) and are updated upon receipt of revised rates.

**Contacts**

Carl Sparano, Executive Director, RPIC
askRPIC@columbia.edu

**Cross References to Related Policies**

Sponsored Projects Handbook: V.C. Preparing a Sponsored Project Budget/Facilities and Administrative (F&A) Costs [http://evpr.columbia.edu/content/indirect-costs](http://evpr.columbia.edu/content/indirect-costs)


**Web Address**


**Appendix**

None

If any URL in this PDF document does not open into a webpage, please copy and paste the URL into another web browser window. You may also choose to save the PDF to your computer and open it with the most recent version of Adobe Acrobat: [http://get.adobe.com/reader/](http://get.adobe.com/reader/). For further assistance, please call the CUIT Service Desk at 212-854-1919.