



## UCCS CAMPUS POLICY

**Policy Title:** Facilities and Administrative Rate Reduction and Waiver

**Policy Number:** 900-002

**Policy Functional Area:** Research

**Effective:** April 14, 2020

**Approved by:** Venkat Reddy, Chancellor

**Responsible Vice Chancellor:** Executive Vice Chancellor of Academic Affairs (EVCAA)

**Office of Primary Responsibility:** VCAA Research

**Policy Primary Contact:** AVC Research, 719-255-3693

**Supersedes:** April 6, 2006; June 19, 2015

**Last Reviewed/Updated:** February 14, 2020

**Applies to:** UCCS Faculty, Staff, and Administration

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**Reason for Policy:** This policy defines the conditions under which F&A costs may be reduced or waived and outlines the procedures to be followed when requesting a reduction or waiver. F&A rates and appropriate waiver conditions for all sponsored programs regardless of the funding source are guided by federal cost principles.

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## I. INTRODUCTION

Facilities and Administrative (F&A) costs are real costs incurred by the University of Colorado Colorado Springs (“UCCS”), associated with all externally-sponsored projects, regardless of funding source. Any project budgeted at less than the federally approved F&A Rate is being subsidized by the other funded projects. Nevertheless, there may be valid reasons for reducing or waiving these F&A costs on certain projects. Such waivers would reflect the tradeoff between the need to cover the real (F&A) costs against the need for the campus to meet other strategic goals.

## II. POLICY STATEMENT

- A. Waiver or Reduction Requests. Any unit seeking a reduction or waiver of F&A must request such a reduction or waiver from the Associate Vice Chancellor for Research (AVCR). To be eligible for a reduction or waiver, the following apply:
1. Government or non-profit funding agency has a written policy.
    - a. By law or regulation, a government agency has a reduced *F&A rate*.
    - b. A non-profit organization has a public, formal written policy on *F&A rate*, consistently applied.

In these cases, UCCS must either accept the sponsor's rate policy, or refuse to submit grant applications to such organizations.

2. For non-federal government or non-profit funding agencies, consideration will be given to other F&A reductions or waivers when these requests are directly associated with the campus goals listed in the guidelines below. Each request will be considered on a case by case base and are not automatic.
  - a. In order to expand the partnerships between the campus and Colorado governmental and non-profit agencies, consideration will be given to reduce F&A costs if the sponsor is a local or State governmental agency or a non-profit organization.

In these cases, UCCS will evaluate the competing needs/goals of covering the F&A costs versus encouraging community engagement and service to the community and State.

- b. In order to provide support for the research programs of pre-tenured faculty, consideration will be given to reducing F&A costs if the principal investigator ("PI") is a pre-tenured tenure-track faculty member, has no other externally funded projects, and there is clear evidence that such a reduction will increase the competitiveness of the proposal

In these cases, UCCS will evaluate the competing needs/goals of covering the F&A costs versus assisting and encouraging junior faculty to be successful in grant activities, thereby strengthening the grant culture on the campus.

3. All other requests will be evaluated on a case-by-case basis.
4. Approving a request for a reduction or waiver.
  - a. In determining whether to approve a request for an *F&A rate* reduction or waiver, UCCS will consider the impact on the F&A costs supported by F&A recoveries, as outlined in Policy 900-003: *Distribution of Facilities and Administrative (F&A) Recovery from Externally Sponsored Programs*.
  - b. Ordinarily, the *F&A* rate should not be reduced below 15% when the reduction is based on the circumstances described in this policy, Sections II.A.2.a. or b..

B. Process for Requesting F&A Reduction or Waiver.

1. To initiate a request for F&A reduction or waiver under the conditions outlined in II.A.1, the request and approval must be documented on the proposal routing form, with all required documents and signatures.
2. To initiate a request for F&A reduction or waiver under the conditions outlined in II.A.2. a. or b., a written recommendation from the appropriate academic unit dean or institute director, or in the case of a non-academic unit, the proposed PI's Vice Chancellor, should be submitted to the AVCR prior to the PI contacting the Office of Sponsored Programs and Research Integrity (OSPRI) for assistance in proposal preparation and/or submission.. If there are multiple colleges/institutes/units involved, the request must be signed by all appropriate deans, directors, and/or vice chancellors. This recommendation must include:
  - a. requested F&A rate, in accordance with the requirements included with this policy,
  - b. the rationale for such a reduction or waiver,

- c. a description of alternatives that were considered prior to making this recommendation, such as decreasing scope and/or cost of project, including administrative costs (if allowable) as a direct cost, etc., and
- d. an acknowledgement that the distribution of F&A to the unit will be impacted in accordance with the policy on Distribution of Facilities and Administrative (F&A) Recovery from Externally Sponsored Programs (900- 003).

The Associate Vice Chancellor for Research (“AVCR”), or designee, will review the recommendation and communicate their decision to the requesting party(s) and OSPRI.

### III. KEY WORDS

- a. Facilities and Administrative (F&A) costs
- b. F&A Rate
- c. F&A distribution
- d. Direct Cost
- e. Facilities and Administrative Cost Recovery

### IV. RELATED POLICIES, PROCEDURES, FORMS, GUIDELINES, AND OTHER RESOURCES

- A. Administrative Policy Statements (APS) and Other Policies
  - 1. Distribution of Facilities and Administrative (F&A) Recovery from Externally Sponsored Programs  
[https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/2019\\_JUN\\_06\\_900-003%20Distribution%20of%20Facilities%20and%20Administrative%20%28F%26A%29%20Recovery%20from%20Externally%20Sponsored%20Programs%20%28APPROVED%29.pdf](https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/2019_JUN_06_900-003%20Distribution%20of%20Facilities%20and%20Administrative%20%28F%26A%29%20Recovery%20from%20Externally%20Sponsored%20Programs%20%28APPROVED%29.pdf)
  - 2. Facilities and Administrative Rate Reduction and Waiver  
<https://www.uccs.edu/rmd/sites/rmd/files/inline-files/900-002.pdf>
  - 3. Principal Investigator Eligibility on Sponsored Programs  
<https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/900-006.pdf>
  - 4. Roles and Responsibilities for Sponsored Programs Administration  
[https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/2017\\_JUN\\_27\\_%20900-001-Roles-and-Responsibilities-for-Sponsored-Programs-A..\\_.pdf](https://www.uccs.edu/vcaf/sites/vcaf/files/inline-files/2017_JUN_27_%20900-001-Roles-and-Responsibilities-for-Sponsored-Programs-A.._.pdf)
- B. Procedures (link the departments published procedures)
- C. Forms
- D. Guidelines, Regulations, Statutes or Professional Standards
- E. Other Resources (i.e. training, secondary contact information)  
 Proposal routing form can be found at <http://www.uccs.edu/osp/resources/forms.html>
- F. Frequently Asked Questions (FAQs)
  - Q: What is the *F&A Rate*? How is it calculated?
  - A: <https://www.uccs.edu/rmd/uccs-controllers-office/sponsored-projects-accounting/fanda-rate>

## V. HISTORY

Initial policy approval	April 6, 2006
Revised	June 19, 2015
Reviewed and Revised.	February 14, 2020

## VI. APPENDICES