POLICY ON THE USE OF CSULB OFF-SITE F&A

Many funding agencies provide Facilities and Administrative (F&A) costs as part of a research award. These funds support the institution’s ability to perform the proposed project. The CSULB Research Foundation's federally negotiated F&A rates (aka: indirect cost, IDC, indirect, overhead) for grants and contracts are:

- On Campus Organized Research 47.5%
- On Campus Instruction 50.5%
- Off Campus Organized Research 26%
- Off Campus Instruction 26%

For awards with F&A rates less than 26%, all IDC goes to central administration for distribution to the Research Foundation and Office of Research and Sponsored Programs (ORSP). For F&A rates greater than or equal to 26% (both sponsored and effective rate), the College receives a percentage of the IDC equal to the F&A rate and the remainder goes to central administration. IDC returned to the College is calculated as:

- $\text{F&A return} = (\text{MTDC} \times \text{FAsp}) \times \text{FAeff}$

where:

- $\text{FAsp} =$ sponsor designated F&A rate or the rate used/approved in grant application
- $\text{FAeff} =$ effective F&A rate = (actual F&A generated (based on MTDC)) / TDC
- $\text{TDC} =$ total direct costs for the project
- $\text{MTDC} =$ modified total direct costs; calculated by excluding some sponsor-defined items from TDC

Items excluded from MTDC are:

- student support expenses (scholarship, fellowships, and tuition);
- subcontracts; subawards –the first $25,000 does not garner F&A;
- equipment;
- rental of off campus facilities.

The intent of this policy is to encourage faculty to request the on-campus federal facilities and administrative (F&A) rate (currently 47.5%) whenever possible – which will benefit of their research programs by providing additional funds over which they have control – and to make them aware that the off-campus F&A rate (currently 26%) has limited applicability.
The CSULB guidelines for application of F&A rates to sponsored agreements and/or proposals states:

*If a majority of the project’s Modified Total Direct Costs (MTDC) will be expended on campus, the entire project is charged the on-campus F&A rate.*

*If a majority of the project’s MTDC is determined to be off campus, the entire project is charged the off-campus F&A rate.*

Note: performing the majority of research activities off campus with the personnel and their travel paid through CSULB, does not qualify for the off-site rate unless the travel duration exceeds 60 consecutive days off campus.

Thus,

1. CNSM faculty should request the off-site rate only when
   a. a majority of the MTDC awarded for the project will be managed by a fiscal office other than CSULB ORSP or CNSM
   OR
   b. when funding limits in total, direct, or indirect costs would prohibit obtaining adequate funding for successful completion of the project

2. To request the off-site F&A rate, faculty must send an email request to the CNSM Associate Dean for Research who, upon college approval, will forward it to the Associate Vice President for Research and Sponsored Programs (currently Simon Kim). Faculty must copy their department chair on the email to the associate dean. They must send the email request at least two weeks before the submission deadline for the grant proposal.

3. In cases where the off-site F&A is approved and the effective F&A remains at 26%, the college reserves the right to alter disbursement of indirect cost recovery.

*Approved by Committee of Department Chairs (CDC) and Dean, CNSM – October 1, 2019; effective immediately.*