

503-003-A: Facilities and Administrative (F&A) Cost Policy

This policy supplements California State University systemwide policy: [Sponsored Programs Indirect Cost/F&A Rate Agreements](#) (ICSUAM 11003.03).

I. Policy Overview

Full F&A (formally known as indirect costs or overhead) cost recovery is to be included in all sponsored program proposals. The F&A cost rates are set through negotiations with the federal government to recover actual expenses incurred by the campus pursuant to Office of Management & Budget's (OMB's) Code of Federal Regulations *Part 200 —Uniform Administrative Requirement, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance").

This policy provides direction for recovery of all program costs of grants by requiring that facilities and administrative ("F&A") costs are included in the proposed budgets. Exceptions to the policy may be made for proposals to the State of California, local governments and proposals where the funding agency policy and/or guidelines state that no F&A costs or less than full F&A costs will be paid.

Proposals to non-federal organizations whose guidelines limit or will not permit the recovery of F&A costs via the CSUMB Indirect Cost Rate will be reviewed to determine if some of the F&A items might be included and recovered as direct costs, in line with University Corporation Procedure 503-005-A, Allowable Costs: Direct & Indirect.

Voluntary exceptions to this policy shall be initiated by the Principal Investigator and approved by the Provost/Vice President for Academic Affairs in consultation with the Vice President for Finance and Administration.

II. Adoption and Review

A. The University Corporation's Board of Directors has adopted this Facilities and Administrative Costs Policy, dated June 2004. The University Corporation's Board of Directors has adopted this Facilities and Administrative Costs Policy, dated June 2010. The University Corporation's Board of Directors has adopted this Facilities and Administrative Costs Policy, dated June 2017.

B. This policy shall be evaluated ten years from the adoption date to determine its effectiveness and appropriateness. The policy may be evaluated before that time as necessary to reflect substantial organizational, financial, or physical change(s) at the University Corporation or any change required by law or by other governing policy.

Any proposed amendments or variations of this policy would require a majority approval by the Corporation Board of Directors.

III. Related Documents

A. Corporation Policy: 502-000-A: Management of Sponsored Programs Policy

B. Corporation Procedure 503-005-A: Allowable Costs: Direct and Indirect

C. Office of Management & Budget's (OMB's) Code of Federal Regulations Part 200 —Uniform Administrative Requirement, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance").