

**NOVA SOUTHEASTERN UNIVERSITY
OFFICE OF THE VICE PRESIDENT
RESEARCH & TECHNOLOGY TRANSFER
POLICIES AND PROCEDURES**

**FACILITIES & ADMINISTRATION (F&A) COST RECOVERY ALLOCATION AND DISTRIBUTION
EFFECTIVE 07-01-11 (REVISED 09-30-11, 12-26-2014, 6-15-2021)
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I. PURPOSE

To establish policy and procedures for the allocation and expense of Facilities and Administration costs recovered from sponsored projects.

II. DEFINITIONS

Facilities and Administration (F&A) costs: Those costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. F&A costs also are referred to as indirect costs or overhead.

Principal Investigator (PI): The individual whom the university designates to direct the scientific, technical, or programmatic aspects of a sponsored program, project, or activity. The PI is responsible and accountable to the university and the sponsor for the proper conduct of the project or activity. In addition to accepting the overall responsibility for directing the research or program activities, the PI also accepts primary responsibility for financial oversight of the award and for compliance with relevant university policies, federal regulations, and sponsor terms and conditions. For the purpose of this policy, Project Director is a title synonymous with PI for a non-research sponsored program.

Co-Principal Investigator (Co-PI): An individual that shares equal authority and responsibility for leading and directing a research project that is responsible and accountable to the university and sponsor for the proper conduct of the project or program. The presence of more than one Co-PI does not diminish the accountability or responsibility of another Co-PI on the project.

Co-Investigator: An individual involved with the PI in the scientific development or execution of a project. A Co-Investigator does not share equal authority and responsibility for leading and directing a project as the PI/PD.

III. REFERENCES

Office of Management and Budget Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR 200)

IV. POLICY

It is the policy of Nova Southeastern University to use recovered Facilities & Administrative (F&A) costs to cover the costs of its research-related infrastructure. It is also the policy of

the University to use available funds from recovered F&A costs to support and catalyze additional basic, applied, and clinical research, training and community service. The authority and responsibility for administration and implementation of this policy is delegated to the Vice President for Finance in conjunction with the Vice President for Research & Technology Transfer.

V. PROCEDURES

A. Allocation of Recovered F&A Costs

F&A costs recovered from all externally funded grants, contracts and other agreements will be allocated as follows:

- 1) 45% will be allocated to administrative costs in support of sponsored projects at the University. The university's President will maintain control and monitoring of this account.
- 2) 30% will be allocated to support research in the college of the Principal Investigator who generated the F&A costs.

Where there are two or more investigators (Co-PIs and/or Co-Is) housed in two or more colleges, the colleges may agree to split the F&A allocation, in proportion to the investigators' effort committed to the sponsor or based on some other reasonable distribution model. Such arrangements must be approved by the parties via the F&A Distribution Agreement, which must be submitted to the Office of Contract and Grant Accounting prior to creation of the restricted account for the sponsored award that is generating the F&A costs.

The college dean(s) will be responsible for maintaining monitoring and control of the account(s). Allowable expenses charged to the account(s) are described in Section B below. The same approval process used for the college's other accounts will be followed for this research account.

- 3) 20% will be allocated to the research activities of the PI who generated the F&A costs.

Where there are two or more investigators (Co-PIs and/or Co-Is), the investigators may agree to split the F&A allocation in proportion to the investigators' effort committed to the sponsor or based on some other reasonable distribution model. Such arrangements must be approved by the parties via the F&A Distribution Agreement, which must be submitted to the Office of Contract and Grant Accounting prior to creation of the restricted account for the sponsored award that is generating the F&A costs.

An unrestricted account will be set up for each PI; each PI will be responsible for

managing his/her account. Allowable expenses that may be charged to the PI's account are described in Section B below. In the event the PI leaves the university, all monies remaining in the account, minus encumbrances, will revert back to the PI's college.

- 4) 5% will be allocated to the University Research Reserve account for the support of research development initiatives and intellectual property development. The university's President will maintain control and monitoring of this account.

B. Expense of Recovered F&A Costs

These funds must be used to support research and other sponsored project activities. This includes administrative support for existing sponsored projects or expenses related to the development of new projects. Allowable expenses include but are not limited to the following:

- 1) Student wages to assist with research and administrative support of sponsored projects
- 2) Travel related to professional development, research dissemination or research development
- 3) Equipment for research
- 4) Memberships and subscriptions
- 5) Publication charges
- 6) Research-related supplies
- 7) Bridge funding
- 8) Research-related faculty recruitment or start-up costs
- 9) Costs associated with preparing competitive proposals for sponsored programs
- 10) Cost-share, mandatory or voluntary
- 11) General administrative and clerical costs, including general purpose office supplies and equipment, in support of research
- 12) Cost overruns associated with sponsored research projects

The use of recovered F&A costs for expenses other than those listed above requires the review and recommendation of the PI's dean/ chair, and the approval of the Vice President for Research & Technology Transfer.

The distribution of F&A cost recovery occurs monthly and is based upon the F&A-eligible costs incurred on grants and contracts.

Attachment:

F&A Distribution Agreement form

F&A Distribution Agreement

INSTRUCTIONS: This form is required to document an agreement between investigators and College administrations to split recovered F&A (indirect) costs on a funded sponsored project. It may be completed at the time of proposal submission or at time of award. **This form must be completed, signed and submitted to the Office of Contract and Grant Accounting (cga@nova.edu) prior to the creation of the sponsored index account that will generate the F&A.** Refer to NSU Facilities and Administrative Cost Recovery Policy at https://www.nova.edu/osp/policies/forms/fa_cost_recovery.pdf.

NOTE: Projected split amounts less than \$1,000 will not be considered.

Section A: Project Information		
PI Name:	PI Department:	PI College:
Funding Agency:	Index (if funded):	
Title of Project:		

Section B: F&A/Funding Information: Please provide the information below based on the final proposed budget (if completed at proposal) or the final award (if completed at award). If you have questions about completing the F&A Rate/Funding Information, please contact the Office of Sponsored Programs at osp@nova.edu.

F&A Cost Rate for Proposal/Award:	Rate Type: <input type="checkbox"/> MTDC <input type="checkbox"/> TDC <input type="checkbox"/> S&W <input type="checkbox"/> Other
Total Direct Costs:	Total F&A Costs: Total Costs:

Section C: Investigator Split and Approvals (if applicable). Please provide the percentage split for the Principal Investigator(s) and Co-Investigator(s) (must total 20%) and the projected amount for each. Each investigator for whom a percentage of F&A is allocated, and their Dean, must sign to approve the arrangement. *NOTE: If there will not be a split between investigators, this section does not need to be completed.*

Investigator:	College:	Incentive Account #	% F&A Split (Must total 20%)	Projected F&A Amount	Investigator Signature	Dean/Designee Signature
Total:						

Section D: College Split and Approvals: Please provide the percentage split for the College (must total 30%) and the projected amount for each. Each Dean for which the College will be allocated a percentage of F&A must sign to approve the arrangement. *NOTE: If there will not be a split between Colleges, this section does not need to be completed.*

College/Unit:	College Org #:	% F&A Split (Must total 30%)	Projected F&A Amount	Dean/Designee Signature
Total:				

NOTES (Please add any explanatory notes, if needed):