

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 9/30/11, 12/26/2014)  
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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.

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(s) of the principal investigator(s) who generated the F&A costs. The college dean will be responsible for maintaining monitoring and control of this account. Allowable expenses charged to this account 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 principal investigator(s) who generated the F&A costs. Where there are two or more Principal Investigators ("Co-PIs"), amounts allocated to each Principal/Co-Investigator will be proportional to the percent of effort included in the approved funding agency budget. An unrestricted account will be set up for each PI; the PI will be responsible for managing the account. 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. Other allowable expenses, by account category, 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 or research development
- 3) Equipment for research
- 4) Memberships and subscriptions
- 5) Publication charges
- 6) Research-related supplies

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

The return of F&A costs occurs monthly and is based upon the F&A costs recovered from grants and contracts.