

Mississippi State University
Mississippi Agricultural & Forestry Experiment Station (MAFES)
Forest & Wildlife Research Center (FWRC)
Recovery of Facilities and Administrative Costs

PURPOSE

The purpose of this standard operating procedure is to provide guidance for MAFES and FWRC in the recovery of facilities and administrative (F & A) costs. This guidance is intended to work in tandem with MSU policy 80.12 "Distribution of Recovered Facilities and Administrative Costs" (<http://www.policies.msstate.edu/policypdfs/8012.pdf>).

BACKGROUND

Management of facilities and administrative (F&A) costs is vital to success of the MAFES and FWRC sponsored research programs. All contracts and grants should cover facilities and administrative costs, and therefore include the maximum recoverable amount of F & A. Federally approved F&A rates vary in relation to type and location of sponsored activity.

Federally approved maximum allowable F&A rates for FY 2014 – FY 2017 are:

- Research on campus – 45.50%
- Research off campus – 26.00%
- Instruction on campus – 50.00%
- Instruction off campus – 26.00%
- All other sponsored activities on campus – 27.2%
- All other sponsored activities off campus – 22.8%

CURRENT F & A Rates may be found at
<http://www.controller.msstate.edu/cas/casex/facilities.php>

GUIDANCE

Maximum allowable F & A is *either* the MSU full negotiated F & A rate *or* the full rate allowed (capped) by the sponsor. Budgets for all grants, contracts and cooperative agreements must reflect the maximum allowable F & A, and when recovered at the maximum allowable rate, will be shared between administration and the generating department.

Negotiation of an F & A recovery at less than the maximum rate will be reflected as a reduction of the department's share of F & A recovered. Any further reduction requires approval of administration prior to submission of the internal approval sheet (IAS).

Only the Director has the authority to waive F&A or accept a reduced F&A rate.

F&A cost recovery from General and Specific Memoranda of Agreement is covered under separate guidance.

Approved:



George M. Hopper
Director, Mississippi Agricultural and Forestry Experiment Station
Director, Forest and Wildlife Research Center



Date