

# Facilities and Administrative Cost Explanation

**Project Title:**

**Principal Investigator:**

**Date:**

## 1. Introduction

This document provides a detailed explanation of the Facilities and Administrative (F&A) costs associated with the above-titled project. F&A costs, also known as indirect costs, are expenses incurred for common or joint objectives that cannot be readily identified with a specific project or activity.

## 2. F&A Cost Rate Applied

Rate Type	Rate Percentage (%)	Base Amount (USD)	Total F&A Cost (USD)
On-Campus Research	XX.XX	XX,XXX	XX,XXX
Other (please specify)			

## 3. Explanation of F&A Costs

The F&A costs cover essential infrastructure and administrative services such as:

- Utilities and facility maintenance
- Library resources
- General administration and clerical support
- Depreciation of buildings and equipment
- Departmental and sponsored projects administration

## 4. Calculation Methodology

F&A costs are calculated by applying the approved rate to the modified total direct costs (MTDC) base, excluding costs such as equipment, capital expenditures, and subcontract amounts over \$25,000.

## 5. Contact Information

For any questions regarding the Facilities and Administrative Costs, please contact:

**Office of Sponsored Programs**

**Email:** [email@example.com]

**Phone:** [XXX-XXX-XXXX]

## Important Notes

- Use only the institution's federally negotiated F&A rate unless otherwise authorized.
- All F&A calculations should be verified for accuracy and alignment with sponsor guidelines.
- This document should accompany proposal submissions where required by the sponsor.
- Ensure all excluded costs from the F&A base are properly documented.
- Contact your research administration office for guidance on exceptions and rate questions.