

Georgia Institute of Technology
Application of Off-Campus F&A Rate

Facilities and Administrative (F&A) costs are defined in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as “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.” Universities are allowed to recover for these types of costs through the application of F&A rates allocated to each major function of the institution (Research, Instruction, Other Sponsored Activities). Georgia Tech negotiates F&A rates applicable to sponsored projects with the Office of Naval Research (ONR).

The facilities component of the F&A rate includes the costs of utilities, depreciation on buildings, depreciation on capital equipment, maintenance and repair, and libraries. The administrative component includes costs related to Academic Finance Offices, Human Resources, Payroll, Procurement, Office of Sponsored Programs, Grants and Contracts Accounting, Controller, the President’s Office, the Vice Presidents’ offices, the Deans’ offices, and other support functions. The Off-Campus rate reflects the allowable administrative component.

Off-Campus Facilities and Administrative rates have been approved by the Office of Naval Research. The FY22/FY23 rates are applied as follows:

Facilities & Administrative Rates	On-Campus	Off-Campus
Research Capped (Federal Grants/Contracts - Non-DOD)	58.2%	26.0%
Research Uncapped (DOD Contracts & Industry Subcontracts under DOD; Industry)	64.6%	32.4%

Guidance:

The Principal Investigator should confirm the Off-Campus F&A rate is appropriate with the Office of Sponsored Programs (OSP) prior to budget development and proposal submission. An off-campus rate determination has a significant fiscal impact to the Institute, since nearly all awards utilize at least some on-campus resources and facilities and infrastructure remain available while off-campus. As such, requests for the use of an off-campus rate are carefully reviewed in conjunction with the solicitation and proposal, and granted only when specific criteria exist.

The criteria for assigning an off-campus F&A rate to a sponsored award are as follows:

1. The Georgia Tech effort to meet the objectives of the award must be conducted at an off-campus facility where rent is proposed and awarded, or at the sponsor site.

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2. Subaward or consulting effort is not a determining factor, nor is employees who work at home for convenience.
3. The proposal budget should reflect and support the use of the off-campus rate.
4. Institute support services related to facilities, such as library, departmental research equipment, machine shop, campus information technology and telecommunications infrastructure, or office space should not be used for the preponderance of the time and effort to perform the award objectives. General administrative and financial support services, such as payment of salaries and expenses, will be provided.
5. Performance at the off-campus location must be on a continuous basis for the period of performance for the sponsored agreement; intermittent performance is not sufficient justification for use of the off-campus rate.
6. Use of off-campus and on-campus rates will not be combined within the same award.

Questions related to rate applications in proposals should be directed to your Contracting Officer in the Office of Sponsored Programs.

Questions related to rate applications to sponsored awards in the Workday should be directed to Grants and Contracts Accounting via ServiceNow.