



Regulations, Policies & Procedures - Financial - Federal - OMB A-21 (cont.)

■ Facilities & Administrative (F&A) Cost Rate

- ▶ UA's Current Federally Negotiated Rates
 - > Organized Research
 - On-Campus
 - FY 05-06, 43%
 - FYs 06-07 through 08-09, 44.5%
 - Off-Campus (26%)
 - > Instruction (55%)
 - > Other Sponsored Activity
 - FY 05-06, 26%
 - FY's 06-07 through 08-09, 27%
- ▶ Negotiated rates assume a Modified Total Direct Cost (MTDC) Base
 - > Calculated on a subset of direct costs, normally excluding equipment, tuition, the portion of subcontract costs in excess of \$25,000
 - > The University's negotiated rates are applicable to MTDC

F&A costs are real costs of carrying out sponsored project activities. UA must fund these costs from other sources when not recovered from sponsors (i.e., full negotiated rate not charged).