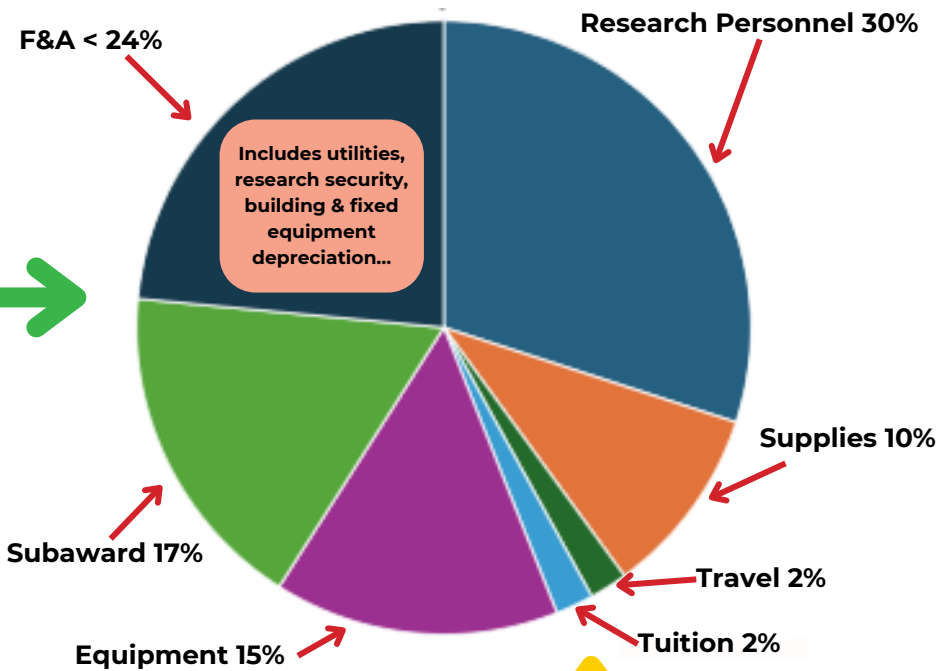


Facilities & Administrative (F&A/Indirect) Cost Rates Are NOT a Percent of the Total Award

They are a percent of a subset of Direct Costs (DC) called Modified Total Direct Costs (MTDC)

Sample Budget - \$1M Total Award 50% F&A Cost Reimbursement Rate

Direct Project Expenses	% of Total Funds	Total Direct Cost	F&A Cost at 50% MTDC Rate	MTDC Exclusions F&A Rate Not Applied to:
Research:				
Personnel	30.0%	\$ 300,000	\$ 150,000	
Supplies	10.0%	100,000	50,000	
Travel	2.0%	20,000	10,000	
Student Researcher Tuition	2.0%	20,000	-	Tuition
Project Specific Equipment	15.0%	150,000	-	Equipment
Subaward to Collaborator	17.5%	175,000	25,000	Sub Amounts > \$50K
> 76% of \$s Available for Direct Costs of Research	76.5%	\$ 765,000	\$ 235,000	< 24% of Total Award Amount Budgeted for F&A
	23.5%			
	100.0%	Total Budget = \$1,000,000		



Indirect Costs are REAL costs that keep the lights ON and the labs OPEN.

Even with no MTDC Exclusions, a 50% F&A cost reimbursement rate will result in only one-third of the total cost charged to F&A.

F&A = Direct Cost (DC) x 50%
 Total Award Amount: \$1,000,000
 Direct Costs: \$666,667
 F&A at 50% of DC: \$333,333
\$333,333/\$1,000,000 = 33%

A 50% F&A Cost rate typically results in about one-fourth of the funding reimbursing F&A costs, as the rate is only applied to MTDC.



Advancing Effective Research Policy

www.cogr.edu

Learn More About the Full Cost of Supporting Research on COGR's "F&A Cost Reimbursement Materials" Resource Page, <https://www.cogr.edu/fa-cost-reimbursement-materials-0> or scan the QR Code:

