



PURDUE UNIVERSITY
SPONSORED PROGRAM SERVICES

(Supersedes F&A Instruction dated May 22, 2017)

West Lafayette Campus Facilities and Administrative (F&A) Cost Rate
Purdue University Effective Date: November 19, 2022

FACILITIES AND ADMINISTRATIVE COST RATES

In October 2022, the Federal Government approved the new F&A rates for Purdue University sponsored programs conducted at the West Lafayette Campus for the four (4) year period beginning July 1, 2022, and ending June 30, 2026. The rates for this period were established in accordance with the Uniform Guidance 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

It is important to note that the final approved rates are less than the actual costs calculated due to regulatory cap on administrative expenses and negotiations between the University and Federal negotiators regarding the facilities costs. The rates are:

Table with 3 columns: Program Category, On-Campus F&A Cost Rates, and Off-Campus F&A Cost Rates. Rows include Research, Instruction, and Other Sponsored Programs with specific date ranges and percentages.

The above rates are expressed as a percentage of modified total direct costs (MTDC) and will remain in effect for the four (4) year period specified.

FACILITIES AND ADMINISTRATIVE COST RATE IMPLEMENTAION

A. ADMINISTRATION OF CURRENT AWARDS

All awards will remain at their current rate until those projects are competitively renewed with the exception of active projects under the instructional rate which will be adjusted to the lower rate based on the rate agreement effective date of July 1, 2022.

B. BUDGET PREPARATION

For budget proposal preparation purposes, project budgets should be prepared using the rates cited above for proposals submitted after the Purdue University Effective Date of November 19, 2022.

Projects previously proposed at the old rates will be awarded as proposed honoring the rate used during original proposal submission.

C. OFF-CAMPUS PROJECTS

The off-campus rate of 26% should be used when the project is to be conducted at an off-campus site in facilities not owned by the University and to which rent is directly allocated to the project(s). The off-campus rate is applicable to projects or parts of projects conduct at an off-campus site for a full semester or summer session. Projects which have both on-campus and off campus components will bear the appropriate rate for each portion.

The above rates apply to Federal projects and to projects funded by non-Federal sponsors such as State, local, and foreign governments. These rates also apply to non-governmental Contract Support as defined by the Policy for Classification, administration and Reporting of Non-Governmental Support (II.B.6). The rates set forth herein are not applicable to those awards classified as Voluntary Support in accordance with this same policy. Separate guidance is also applicable to corporate sponsored Applied Research.

If sponsor regulations limit F&A cost reimbursement, the limitation should be discussed with Sponsored Program Services before the budget is prepared and submitted through regular University channels for approval.

D. GRANTING AGENCY NOTIFICATION

The Department of Health and Human Services' Division of Cost Allocation will notify appropriate Federal, fiscal and administrative offices of the extended facilities and administrative cost rate. Awards should be made based on the new approved rate.

If you have questions concerning these instructions, please contact either the appropriate Sponsored Program Services Account Manager or your Director of Financial Affairs.