F & A STATEMENT FOR BUDGET JUSTIFICATION

Rev. September 2017

*STATEMENT TO USE WITH STATE AGENCIES, LOCAL GOVERNMENT JURISDICTIONS, AND CORPORATIONS*

**Facilities and Administration (F & A) Recovery Statement**:

UMBC’s Facilities and Administrative (F & A) recovery costs are calculated based on the University’s federally negotiated rate and represent costs to the project that help support sponsored activity both on- and off-campus. The application of the F&A recovery rate allows UMBC to recover certain costs (e.g. facilities, utilities, central and departmental administration, etc.) associated with sponsored activities that are not directly charged in the project budget. These are true incurred costs that must be recovered for proper and effective project administration, management, implementation, and closeout.

The F &A recovery rate applied to this project is in accordance with the Department of Health and Human Services (DHHS) Colleges and Universities Rate Agreement dated 09/30/2016. The Rate Agreement stems from a stringent review process with DHHS requiring validation of all costs. Given the above, the F & A recovery rates applied to this project are:

***Note***: *Choose the applicable F&A rate based on project here*.

On-Campus Organized Research:

52.5% MTDC until 6/30/19

53% MTDC from 7/01/19 to 6/30/20

50.5% MTDC after 7/01/14

\*The off-campus rate is 26% through 6/30/20\*

On-Campus Other Sponsored Activity:

28% until 6/30/20

\*The off-campus rate is 22% until 6/30/20\*

On-Campus Instruction:

55% until 6/30/20

\*The off-campus rate is 26% through 6/30/20\*

The rate used in budgeting is based on the rate for the majority of the year. Whichever rate is in effect for 6 months or more of the project year will be used as the rate for that year. Should the performance period be delayed causing the shifting of the performance period into a new rate period the budget will need to be adjusted appropriately.

***Note***: *If F &A Rate is applicable to* ***Total Direct Costs****, please select/use the following*:

These F&A rates apply to Total Direct Costs (TDC), consisting of all direct salaries and wages, applicable fringe benefits, material and supplies, service, travel and up the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award).

***Note***: *If F &A Rate is applicable to* ***Modified Total Direct Costs****, please select/use the following*:

Modified Total Direct Costs (MTDC) means that the F&A rate is not applied to tuition, equipment over $5,000, participant support costs, rental costs, scholarships & fellowships, and the cost of subawards over $25,000.

Any reduction in the rates outlined in the F&a Rate Agreement are considered cost sharing, and UMBC must recover those costs from other sources.