**Indirect Costs (F&A)**

F&A costs include the services of the accounting staff, the cost of a roof or utilities for a building housing several research projects, office supplies, postage, local telephones, or salaries of personnel engaged in providing a broad range of departmental support activities.

**Current F&A Rates**

**Indirect Costs Waiver**

A request is subject to collegiate and institutional approval, which is not guaranteed and depends on the unique circumstances of the request.

1. Use the [F&A Reduction Request Form](http://www.ospa.umn.edu/forms/forms.html#spa) to make a request. **The principal investigator should make the request 30 days in advance of the proposal's submission** to the sponsor in order to provide time for careful review of the request.

2. Forward for evaluation within the college. The form must have a signature indicating approval from the department head. This approval implies that the unit receiving the sponsored funds has sufficient funds to cover its share of the local F&A costs related to the project.

3. The college will review and, if appropriate, approve the request and forward it to the Associate Vice President for Research at Sponsored Projects Administration for evaluation and institutional approval.

4. A response will be sent to the principal investigator with copies to the department head, dean, and grant administrator in Sponsored Projects Administration.

Form to complete to request IDC reduction can be found at [http://www.ospa.umn.edu/forms/forms.html#spa](http://www.ospa.umn.edu/forms/forms.html#spa)

In a proposal with direct costs of $50,000 per year or less, the signature of a Dean (or Dean’s designee) on a Proposal Routing Form will constitute approval for any reductions in F&A that may be included in a proposal. This means that F&A waiver request forms no longer need to be completed for these types of projects. Include a small project waiver justification under Comments in the budget section of the PRF.

If any single year of a project is valued at more than $50,000, the regular F&A waiver request form should still be completed.

If a reduction has not been obtained for a proposal that is submitted to Sponsored Projects Administration for processing, the grant administrator will contact the principal investigator to determine whether a reduction is in process. If a reduction request is in process, the grant administrator will facilitate a decision. If the Associate Vice President for Research or other appropriate officials are unavailable, the particular circumstances surrounding each proposal dictate how the grant administrator handles the proposal.

- The F&A rate remains the same at the time of award throughout the project period. Use the same rate when completing budgets for continuations.