

Guidance for On/Off Campus F&A Rates Procedure

1. PURPOSE OF PROCEDURE

The purpose of this procedure is to determine whether a sponsored project should be classified as on- or off-campus and using the applicable DHHS approved facilities and administrative (F&A) rate. F&A Costs (also known as indirect costs/IDC, overhead, administrative allowance, or occasionally, institutional allowance) are reimbursements by sponsors for things that cannot be directly and uniquely assigned to any particular project, and are incurred by our institution for expenses such as utilities; buildings and grounds; operation and maintenance; library-related expenditures; and university services like telephones, computer infrastructure, postage services, etc.

2. BACKGROUND

One factor in determining the appropriate F&A rate to apply to a project budget is whether the project is designated as “on-campus” or “off-campus.” An on-campus F&A rate includes both the Facilities and Administrative components of the F&A. For more information, see the **Facilities and Administrative Costs Primer** published by The Research Foundation for The SUNY.

Projects using the off-campus rate do not recover the Facilities component. An “off-campus” determination on a sponsored project implies that there are no facilities costs associated with the project, which results in a lower F&A rate. However, since virtually all projects utilize at least some on-campus resources, an off-campus determination has significant fiscal ramifications for the university. Consequently, requests for an off-campus determination are weighed carefully through a request process approved by the appropriate Chair and Dean.

3. KEY DEFINITIONS

On-campus. Based on the university’s federally approved indirect cost rates, on-campus locations include space in buildings owned and/or leased by the university. These locations include the university’s regional campuses (e.g. Stony Brook Southampton) and home office. An on-campus designation is appropriate when university facilities are required and used for the project. When a sponsored project receives an on-campus designation, reimbursement of facilities-related costs occurs indirectly through the application of the F&A rate rather than through a direct space charge (i.e. rental costs).

Off-campus. Off-campus locations include space not owned by the university and where the university bears no lease cost for occupying the space. An off-campus designation is appropriate when university facilities are not necessary or used for the project and/or any reimbursement of facilities-related costs occurs through a direct space charge (e.g. a lease). When activities in a sponsored project proposal are located in the following locations and buildings, they also qualify to use the off-campus rate: BNL, Cancer Center, Mind-Body Clinical Research Center (CRC), Flax Pond Lab, Tech Park, University Hospital, Veterans Home.

4. PROCEDURE DETAILS

SBU applies only one F&A rate to an entire project.

When a project includes both on-campus and off-campus activities the criterion for determining whether the on-campus or off-campus rate applies to a sponsored project is based on preponderance of the work in terms of location and project personnel effort.

If 50% or more of budgeted (including mandatory cost share) project effort and activity occurs at SBU facilities, then the on-campus rate is applied to the entire project.

If more than 50% of budgeted (including mandatory cost share) project effort and activity occurs only at non-SBU facilities (including projects for which lease payments are directly charged to the project), then the off-campus rate is applied to the entire project. The off-campus rate will not be applied when a principal investigator (PI) conducts his/her project off campus from a domestic residence either for convenience or when University facilities are unavailable (such as during a pandemic or other similar natural or man-made events.) The reason the on-campus rate must be used is that the research operating costs incurred by the campus continue to apply even when activities are off campus and/or project personnel are working from home. These costs include PI and project staff office and research space; permanent infrastructure depreciation; and salaries, health insurance and other benefits for research administration staff, department finance support, and all the effort of other SBU employees who help execute and administer sponsored projects without being directly billed to a grant/contract.

Note that any subaward, travel, equipment purchases or vendor service costs are not considered SBU in the determination of preponderance of the work performed by SBU/RF personnel working on the project.

For all activities performed in facilities not owned by SBU to which rent is directly allocated to the project(s) the off-campus rate will apply.

A project, or part of a project, is considered to be performed off-campus if the activity is required to be conducted at a location other than SBU's academic properties. If a project is located in leased space and the lease is a direct charge to the project, then the project is considered off-campus. In order for the off-campus rate to be a consideration, the project must require that substantive programmatic work take place by SBU/RF personnel working on the project on non-SBU property. A project will NOT be considered off campus simply to circumvent the proper recovery of applicable F&A costs, and the off-campus rate will not be applied when a PI chooses to conduct his/her project off campus for convenience. Conferences, short-term collaboration travel, or working remotely (e.g. from a home office) are not sufficient reasons to use the off-campus rate. While the responsibility for demonstrating that the off-campus rate is appropriate rests with the project team through the completion of the [Facilities and Administrative/Indirect Cost \(F&A/IDC\) Off-Campus Rate Request Form](#), Principal Investigators may reach out to their assigned Specialist in the Office of Sponsored Programs to discuss when unsure.

Any variance from stated F&A cost rates must be discussed with your School/College/Institute/Center administration in advance of proposal submission. When a determination cannot be easily made, the Vice President for Research or their designee shall be consulted and will render the final decision.

If a sponsor has published rates that restrict F&A to less than SBU's negotiated rates, attach a copy of their published rate policy to the myResearch Grants proposal and apply the sponsor's rate.

5. HELPFUL QUESTIONS

1. Will project personnel conduct all of the proposed work on campus? Campus includes Stony Brook University, Stony Brook Manhattan, SBU Southampton, SBU Health Sciences Center. (NOTE: The following are considered off-campus locations: BNL, Cancer Center, Mind-Body Clinical Research Center (CRC), Flax Pond Lab, Tech Park, University Hospital, Veterans Home)
2. Will project personnel conduct all of the proposed work in leased space? If yes, your myResearch proposal must list the location of leased space and the cost of rent paid by the sponsor. If rent is not paid by the funding source, the on-campus F&A rate applies.
3. Will project personnel conduct all of the proposed in facilities provided at no-cost by a non-University organization? If yes, use the off-campus F&A rate. List in myResearch the location of the facilities being provided and the organization providing the facilities
4. If more than 50% of project personnel work will take place away from campus complete the [Request for Off-Campus Rate Form](#).

6. RATE APPLICATION EXAMPLES

The following examples illustrate the concept and are not all inclusive. Please contact your OSP Specialist with questions if it is unclear as to whether the on- or off-campus rate should be utilized in your project.

6.1 Example I: PI A is working on a \$500,000 research proposal to the National Institutes of Health. Part of the project involves a \$300,000 subaward to her collaborator, Yale University. PI A's work and her effort will take place in her laboratory on campus. Even though she will periodically travel to Yale to work in the laboratory of her collaborator, the project is classified as an on-campus project as the majority of the SBU costs will occur while working in SBU facilities. Note: The fact that a collaborating institution will spend more than half of the direct costs of the total award has absolutely nothing to do with determining the applicability of an on- or off-campus F&A rate for SBU . SBU does not control the expenditure of those funds.

6.2 Example II: Research will take place on a ship in the Atlantic Ocean. The period of performance is for one year, and seven months of the work will take place on the ship. If a majority of the personnel effort will be incurred off-campus, then the entire project will be charged at the off-campus F&A rate because the off-campus work is on a continuous basis and of sufficient duration.

6.3 Example III: Research will take place on a ship in the Atlantic Ocean. The period of performance is for one year, but the research on the ship will only be for four months. If a majority of the personnel effort will be incurred on-campus, then the entire project will be charged at the on-campus rate. The off-campus work is not of sufficient duration to qualify for the off-campus F&A rate.

7. CONTACT AND ADDITIONAL RESOURCES

Contact your OSP Specialist - <https://www.stonybrook.edu/commcms/osp-ogm/assignments.php>

The approved F&A cost rates applicable to all proposed projects are shown in **F&A Cost Rates** table. https://www.stonybrook.edu/commcms/osp-ogm/rates_and_institutional/F_A_rates.php

The latest policy and an up to date listing on the RF/SBU approved F&A rates are listed on this [web site](#) or you can contact your OSP Specialist.