

 LEHMAN COLLEGE Office of Research and Sponsored Programs	Policy No. ORSP-004
Facilities and Administrative Cost Application Policy	Effective 12/01/2019

I. Policy Statement

Facilities and Administrative costs, also known as indirect cost or overhead, is defined as real costs related to the running of sponsored projects that are not easily attributable to an individual project (i.e., maintenance, security, heating, cooling, lighting, space, administrative/clerical support, etc.).

Effective July 1, 2019, Lehman College’s federally negotiated F & A rate agreement as determined by our cognizant federal agency, The Department of Health and Human Services, is 59% of salaries and wages, including fringe benefits, for all on-campus programs and 24.6% salaries and wages, including fringe benefits, for all off-campus programs.

Deviation from Lehman’s rate agreement is considered voluntary committed cost sharing, which is prohibited by most federal funding agencies, The City University of New York, and Lehman College.

II. Purpose

This policy outlines the acceptable application of F&A rates for externally funded grant proposals.

II. Procedure

In all cases the maximum allowable indirect cost must be requested of a sponsor.

Where indicated by the sponsor in the program announcement, the Office of Research and Sponsored Programs will approve F&A rates below our federally negotiated rate in accordance with sponsor restrictions. Where F & A restrictions are not specified in writing, Lehman’s federally negotiated rate agreement applies (59% on salaries, wages, and fringe benefits) and must be used.

For proposals to foundations and “fee for service” contracts, Lehman will charge F&A at a minimum rate of 20% of total direct costs.

A minimum of 20% net overhead recovery is expected on all proposal budgets.

In instances where a sponsor does not allow for indirect cost recovery, a request for waiver of indirect costs must be submitted to the Director of Research and Sponsored Programs and approved by the Provost.

IV. Implementation

This policy is applicable to externally funded grant proposals submitted through the Office of Research and Sponsored Programs. This policy is effective December 1, 2019.