LOUISIANA STATE UNIVERSITY
Office of the Vice Chancellor for Finance and Administrative Services

Campus Correspondence

From: Office of Finance and Administrative Services *Date:* February 22, 2000

Chancellor Emmert
Chancellor Richardson
Dr. Claude Bouchard

Facility and Administrative Rates Applied to Sponsored Projects

New Facility and Administrative (F&A) Rates have been negotiated with our cognizant audit agency, the Department of Health and Human Services. The following rates are effective from July 1, 1999 through June 30, 2003:

F&A RATES[1] to be applied to MTDC[2]	Non-State Agency	State or Local Government
Louisiana State University and A&M College		
Instruction		
on campus	49%	24%
off campus	26%	13%
Research & Public Service		
on campus	47%	23%
off campus	26%	13%
Wetlands Units/Departments[2]		
on and off campus	34%	17%
Louisiana State University Agricultural Center		
Research & Public Service		
on campus	43%	21%
off campus	26%	13%

(1) Statutory requirements specific to certain federal programs may limit F&A recovery on some awards.

(2) F&A costs are calculated by multiplying the Modified Total Direct Costs (MTDC) by the appropriate F&A rate. MTDC is defined as total direct costs less:

a. Each subgrant/subcontract in excess of $25,000 (the first $25,000 of a subgrant/subcontract is included in the calculation)
b. Capital equipment expenditures (items costing $250 or more with a useful life of at least one year)
c. Alterations and renovations
d. Rental costs of off-site facilities
e. Scholarships and Fellowships

(3) Includes the following:

Acct #	Unit/Department
135-45	LSU National Ports & Waterways Institute
167-xx	LSU Sea Grant Program
169-xx	Center for Coastal, Energy & Environmental Resources

These F&A rates are applicable to all proposals for new sponsored projects. However, proposals for continuation of incrementally funded awards which maintain the same sponsor grant/contract number shall use the rates approved in the award. Ongoing projects with funds already awarded will also continue at the rates approved in the award.

Please contact Mr. James L. Bates at 388-3386 if you have questions or need assistance.

Jerry J. Baudin
Vice Chancellor for Finance
and Administrative Services

JJB:drr
Enclosure: Rate Agreement

cc: Vice Chancellor Jelinski
Deans, Directors, and Department Heads
Mr. Mark Ewing
Mr. Mark Legendre
Mr. Ralph Underwood
Mr. Sai Pinnepalli
ASP Members