



Finance & Administration
Office of Accounting Services

June 29, 2022

To: President William F. Tate, IV
Interim Executive Vice President and Provost Matt Lee
Interim Vice President Lucien Laborde
Executive Director John Kirwan
Deans, Directors, and Department Heads

Re: Facilities and Administrative Rates Applied to Sponsored Projects

New Facilities and Administrative (F&A) rates have been negotiated with our cognizant audit agency, the Department of Health and Human Services (DHHS). The following rates are effective from July 1, 2022, through June 30, 2025.

F&A Rates ⁽¹⁾ to be applied to Modified Total Direct Costs (MTDC) ⁽²⁾

LSU and Pennington Biomedical Research Center

Function	Location	Non-State Agency Rate	State or Local Government Rate ⁽³⁾
Instruction	On campus	49.0%	26.0%
	Off campus	26.0%	26.0%
Research	On campus	50.0%	26.0%
	Off campus	26.0%	26.0%
Public Service	On campus	35.0%	26.0%
	Off campus	26.0%	26.0%

LSU Agricultural Center

Function	Location	Non-State Agency Rate	State or Local Government Rate ⁽³⁾
All Programs	On campus	40.0%	26.0%
	Off campus	26.0%	26.0%

Effective July 1, 2022, these F&A rates will be applicable to all proposals for new sponsored projects, competitive continuation, renewal, and certain supplement proposals. However, proposals for the continuation of incrementally funded awards which maintain the same sponsored agreement award/contract number will use the rates approved in the award. Ongoing projects with funds already awarded will also continue at the rates approved in the award.

Kimberly Lewis
Executive Vice President for Finance and Administration and
Chief Administrative Officer



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⁽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 MTDC by the appropriate F&A rate. MTDC is defined as total direct costs less equipment, capital expenditures, charges for patient care, participant support, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships, as well as the portion of each subgrant and subcontract in excess of \$25,000.

⁽³⁾ The State and Local Government rate does not apply to projects funded through Louisiana state and local agencies using federal funds or funds originating from a non-State/non-Local entity.

Enclosure

xc: Jaime Estave, Darya Courville, Guy LaVergne, Monica Mougeot, Lori Parker, Michelle Miller, ASP Members