



Facilities & Administrative (F&A) Cost Rate Reduction Request

The University of Central Florida negotiates with the federal government the indirect cost reimbursement rates for sponsored programs. **UCF does not waive indirect costs on federally funded programs or via a pass-through entity, per the 2CFR 200.414(c) and 200.331(a)(4).**

A request to reduce the F&A cost rate may be submitted if a proposed project falls within any of the categories listed below. The original signed form must be forwarded to ORC along with a brief justification for the request.

If the request is approved, a ten (10%) percent reduced rate will be assessed against the total anticipated direct costs of the project, and will be applied to the administrative cost of the project. **If the project is awarded with a fixed-price agreement, any residual funds at the end of the project/closeout will remain with the Office of Research and Commercialization.**

An indirect cost rate reduction is not required if the indirect cost rate is limited per the sponsor agency's published policies. Proposals submitted to the federal agencies are NOT eligible for indirect cost rate reduction.

PLEASE NOTE: The Office of Research & Commercialization Office of Contracts & Grants is the only authorized institutional office that can negotiate reduced rates on behalf of the university. Principal investigators are not authorized to negotiate reduced rates on behalf of UCF and UCF will not be held to unauthorized negotiation.

Approvals for indirect cost rate reduction requests are limited to the project categories below.

Pilot/Feasibility Project

Pilot/Feasibility projects are small scale preliminary studies conducted in order to examine the feasibility of an approach or concept that is intended to be used in a future larger scale project. Pilot/Feasibility studies allow investigators to generate preliminary data and conduct an analysis before committing to a full-blown study or experiment. These projects should be able to show how they may be used to secure additional funding in the future at the full negotiated indirect cost rate. Pilot/Feasibility projects are available for projects with a budget up to \$40,000 (including F&A reduced rate). Pilot/Feasibility projects at a reduced rate are not intended to circumvent UCF's federally negotiated application of indirect cost rates. Continuation or multiple pilot/feasibility projects to the same sponsor are unlikely to be reduced. Projects with a published rate of 20% or less are not likely to be further reduced. Exceptions to the \$40,000.00 limit may be made on a case by case basis for STTR/SBIR Phase I projects.

Public Service Project

Public Service projects are defined as activities meant to support costs for organizing, establishing, providing, or expanding the delivery of health or other social services to a specified community with a budget up to \$40,000. Public Service Projects do not include basic or applied research and will be reviewed on a case-by-case basis. Projects with a published rate of 20% or less are not likely to be further reduced.

Student Support

Projects to support student efforts cannot exceed \$40,000 funding request (including indirect costs). **PI and co-PI salaries cannot exceed a de Minimis 1% effort for student oversight. All other costs for student support must be applied directly toward student support.** Student support requests will be evaluated on a case-by-case basis. It is not guaranteed that all student support projects will be approved for the reduced rate. Grants from sponsors with a published rate of 20% or less are unlikely to be further reduced.

Development Project

Development projects are classified as activities meant to support efforts related to a university license which include (i) material sample preparation and associated costs; (ii) components/device fabrication and associated costs; (iii) technical consulting services. Development projects at a reduced rate are not intended to circumvent UCF's federally negotiated application of indirect cost rates.



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The University of Central Florida does not waive F&A on federally funded programs or via pass-through entity per the Federal Office of Management and Budget 2CFR200 sections .414(c) and .331(a) (4). Please see the Special Indirect Cost Rate Guidelines for additional information. This application must be completed in order to request a reduce F&A cost rate which deviates from UCF's federally negotiated rate as per the federally negotiated indirect cost rate agreement.

Project Information

Principal Investigator: _____
 Department: _____
 College: _____
 Sponsor Agency: _____
 Project Start Date: _____ Project End Date: _____

Budget

Categories	Full Budget (including full F&A rate)	Budget with Reduced Rate	Foregone F&A
Direct Costs			
<i>F&A Rate</i>	_____ % ___ MTDC ___ TDC	_____ % ___ MTDC ___ TDC	_____ % ___ MTDC ___ TDC
F&A Costs			
Total Project Costs			

Please provide a brief justification for your request below.

Categories

Approvals for F&A rate cost reduction requests are limited to the following categories along with an abstract or brief description of the project and brief justification for the request. Projects must meet all of the criteria as described in the guidance (please refer to the guidance attached). Please check one:

- Pilot/Feasibility Project (includes STTR/SBIR projects)
- Public Service Project

- Student Support
- Development Project

Signature Authorizations

By signing below, the PI, Chair and Dean understand that if the request is approved, a ten (10%) percent reduced rate will be assessed against the total anticipated direct costs of the project, and will be applied to the administrative cost of the project. **If the project is awarded with a fixed-price agreement, any residual funds at the end of the project/closeout will remain with the Office of Research and Commercialization.**

Principal Investigator (Print)

Signature

Date

Department Chair (Print)

Signature

Date

Dean (Print)

Signature

Date

Office of Research & Commercialization (Print)

Signature

Date