



## OSP Memorandum 17-01

To: UAH Research Community

FROM: Gloria Greene, Director, Sponsored Programs

Subject: Indirect (F&A) Cost Rate Exception Request/Approval

Date: October 13, 2016

OSP Memorandum 17-01 supersedes Memorandum 12-03 and provides revised guidance concerning request for indirect cost rate exceptions as well as an exception request form *OVPR/OSP Form 2012-001*. The form has been added to ensure more accurate and consistent data collections.

**Proposals \$5,000 or less will not be charged F&A, and therefore do not need a F&A Cost Rate Exception Request/Approval signed by the OVPRED.**

Principal Investigators are not authorized to negotiate reduced indirect cost rates with a sponsor or to submit proposals that do not include the applicable indirect cost rate as part of the budget. The indirect cost exception request **as a rule** should be submitted prior to proposal submission.

All justifications to seek exception to the policy to apply less than full indirect cost rate to a proposal must go through the Office of Sponsored Programs. All exception requests must be accompanied by appropriate documentation for the basis of the request.

It is recommended that requests be forwarded to OSP at the earliest convenient time so that proposals can be finalized and submitted to the funding agency in time to meet their deadlines. If the request is not received by OSP in time to process the proposal, the proposal will be submitted to the sponsor, with the budget reflecting the applicable Federally-negotiated indirect cost rate.

Once a decision has been made by the OVPR, a single PDF copy of the signed form will be emailed to the PI and serve as notification of approval/disapproval of the indirect cost waiver request.

Questions regarding indirect cost waivers should be directed to your contract administrator or C&G Coordinator.

## Indirect (F&A) Cost Rate Exception Request/Approval

*Note: F&A Rate Exception Request/Approval is required for each new proposal (excluding continuation)*

<b>Waiver Number:</b>	<b>Date Received:</b>	<b>Reviewed By</b>
-----------------------	-----------------------	--------------------

*\* Waiver Number will be added by OVPR if approved.      \*\*Director OSP will review prior to submission to OVPR*

### Requester Information

Department/Center:	Office Number:
PI Name:	E-mail:
Proposal Number (REQUIRED):	Telephone:
Solicitation Number:	Agency:
Solicitation Title:	
Proposal Title:	

### Documents Required for Deviation:

1) Copy of sponsor policy with this request; 2) URL Link to published policy, if available; 3) Justification for reduction/waiver; and 4) OSP Administrator must sign this request.
---

### Exception Data

*\*To be completed by OSP*

Period of Performance:	MM/DD/YYYY to MM/DD/YYYY	On Campus ___ Off Campus	
<b>Rate</b>	<b>Direct Cost<sup>2</sup></b>	<b>Recovery Amount<sup>3</sup></b>	
Applicable Rate <sup>1</sup>	0.00%	\$0.00	\$0.00
Exception Rate	0.00%	\$0.00	\$0.00
Use of Account Code 7435		\$0.00	\$0.00
<b>Estimated Loss</b>			<b>\$0.00</b>

**“Other” Direct Costs Description:**

<sup>1</sup> Applicable Rate refers to UAHuntsville F&A Rate Agreement. Applicable rate maybe different from UAHuntsville approved rate if determined by sponsor.

<sup>2</sup> If request is based on an already approved exception, provide description in box titled **“Other” Direct Costs Description**.

<sup>3</sup> Direct Costs and Recovery Amount are based on the budget amount of **the entire project period of performance**.

### Approvals

*All signatures are required for requesting indirect cost rate exceptions.*

<b>OSP Administrator</b> (signature indicates completion of exception calculations – only)	Signature:	
	Print/Type Name:	Date:
<b>VP for Research:</b> ___ Approved  ___ Disapproved	Signature:	
	Print/Type Name:	Date

Notes:

- (1) It is the policy of the University to propose and charge its full negotiated applicable F&A rate on all sponsored projects.
- (2) Send completed form along with required back up documentation and submit to the Director of OSP.
- (3) Policy regarding indirect cost rate exception is located on the OSP Website under Researcher Resources.
- (4) Once VPR decision is made, provide a copy of the form to the PI and the Director of OSP.