



OSP Memorandum 23-01

(OSP Memorandum 23-01 supersedes Memorandum 17-01)

TO: UAH Research Community

FROM: Gloria Greene, Assistant Vice President, Contracts and Grants

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

DATE: August 4, 2023

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. **This applies to GRANTS ONLY!**

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 OSP Contracts and Grants Administrator.