

Facilities and Administration Cost Recovery

Statement

Facilities and Administration (F&A) costs, also called overhead or indirect costs, are real costs which are expended by the University in the provision of space, equipment, utilities, personnel, and other services in order to meet its responsibilities in the fulfillment of its mission. Whenever research and other services are provided for outside sponsors, an appropriate charge shall be made no offset these F&A costs. Accordingly, it is the policy of the University that funds provided by outside sponsors will include a recovery of F&A costs.

Projects that provide funding for such things as equipment, instructional support, faculty and student support, capital and facilities grants and training grants may not permit full recovery of F&A costs. In such instances, allowable F&A costs are to be charged according to published guidelines.

Schedule of Facilities and Administrative Costs

F&A costs shall be charged in accordance with the F&A rate agreement between the Federal cognizant agency, currently the Office of Naval Research, Old Dominion University and Old Dominion University Research Foundation.

Certain sponsors may not provide for the payment of full F&A costs. In those instances, F&A cost recovery may be waived in whole or in part, provided that the published literature of the sponsoring organization states that F&A costs are limited to a certain rate or are not allowed and further provided that the project will provide essential support of the mission of the University. Where the full F&A rate would otherwise be permitted, recommendation for waiver shall be made by the department chair, with the approval of the dean of the College, and the determination shall be made by the Vice President for Research. Such waivers may take the form of recovering F&A from the sponsor and collecting equivalent amounts from the department, College and Office of the Vice President for Research for project-related uses.

In the event a project is supported by an industrial or commercial firm for the product testing and/or development, F&A costs shall be charged at a rate not less than that provided for in the University and Research Foundation's Federal rate agreement.

In the event industrial or commercial firms provide funds for support of projects and impose no restriction on the conduct of the projects, and further do not require reports, such funds shall be treated in the same manner as are other gifts to the University, but shall be reported to the Office of the Vice President for Research for inclusion in reports of University research funding.

Only under unusual circumstances will the University, at the discretion of the Vice President for Research, waive its rights to the data or patents developed under a grant or contract. When an outside commercial or industrial firm shall request rights in data to the exclusion of the University or the Research Foundation and/or shall claim full rights to patents developed under such a project, a fee shall be charged at a rate of not less than 200 percent of the total direct costs, plus not less than 125 percent of any patent expenses incurred (or to be incurred) by the University or the Research Foundation. Any modification of the above terms will be at the sole discretion of the Vice President for Research.

In the event that patent rights or rights in data developed under a grant or contract are retained by the sponsor, the amount of the F&A costs recovered that exceeds the published F&A cost rate for a campus shall be considered to be royalty income and be distributed in the manner described by the Policy on Intellectual Property. This royalty income shall not become available for distribution until the fiscal year in which the grant or contract terminates. Subject to the approval of the immediate supervisor, it shall be the responsibility of the principal investigator to determine the division of the inventor's share of royalties among those participating in the project.

-Approved by the President
December 1, 1988
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