

Agreement to return F&A to a project instead of waiving or reducing F&A

USM typically does not waive or reduce Facilities & Administrative costs (F&A, or indirect costs) on federally funded projects. (This includes using the CESU F&A rate when the project is funded directly by the federal agency and not through the managing CESU university.)

When the award amount is capped by the sponsor and the project can't be successfully conducted for that capped amount, the Vice President for Research and appropriate Dean and/or other unit leadership might agree to return a portion of the recovered F&A to the project if the additional funds are reasonable. The PI is responsible for reducing the project scope as much as possible before requesting internal funds.

If the project also requires matching funds/cost share: The budget to the sponsor should reflect only the **required** match. It should not reflect a dollar amount for any F&A to be returned to the project. The PI may include in the budget justification an explanation that does not quantify additional support from USM. For example, "In addition to the required committed cost sharing, USM will ensure appropriate funding or other resources in order to successfully conduct the project."

Typically, the appropriate School or Center Director, Dean(s), and the Vice President for Research contribute a portion of their recovered F&A, with VPR contributing no more than 90%.

Example: The sponsor caps an award at \$30,000. PI determines that the direct project costs are \$25,000 after reducing scope.

Amount requested (Sponsor)	Voluntary uncommitted cost share (USM)	TDC avail to project
Direct costs: \$20,270	Recovered F&A to project: \$ 4,730	\$25,000
F&A 48%: \$ 9,730	School = \$613	
Total request: \$30,000	College = \$613	
	VPR = \$3,504	

Please attach the following items and route for approval. A template is provided on page 3 of this document.

1. an *internal* budget showing sponsor request plus additional USM funds needed and
2. rationale supporting request for returned F&A.

Recovered F&A will be made available to support the project in the following amounts:

Unit	Unit Name	Amount (\$)
School or Center		
College		
VPR		
Other Unit		
TOTAL		

Signatures Required:

<input type="text"/>	<input type="text"/>
Principal Investigator	Date
<input type="text"/>	<input type="text"/>
School or Center Director	Date
<input type="text"/>	<input type="text"/>
College Dean	Date
<input type="text"/>	<input type="text"/>
Other Unit	Date
<input type="text"/>	<input type="text"/>
VPR	Date

Once signatures are obtained, this form and the attached rationale and internal budget should be uploaded in InfoEd.

When the project is funded, the PI is responsible for contacting the appropriate offices to arrange transfer of the agreed-amount of funds. In general, funds are available for transfer only after the contributing units have recovered enough project-generated F&A to cover the agreed-upon amounts. PIs may request earlier transfer from the appropriate units if project support is required before sufficient F&A is recovered.

E-mail approvals are acceptable.

Standard routing order for this form: Principal Investigator → School Director → Dean → ORA-PAM → Associate Vice President for Research → ORA-PAM.

Exception for GCRL/TCMAC/CFRD/MEC/GCGC/RFWCOE: Principal Investigator → Center Director → GCRL Director (for TCMAC, CFRD, MEC) → Associate Vice President for Research Coastal Operations → ORA-PAM.

Rationale supporting the request to return recovered F&A to a project

PI Name:

Project Title:

Prime Sponsor:

Direct Sponsor:

InfoEd Record Number:

Period of Performance:

Describe the need for the return of F&A funds to the project. Please be as specific as possible.