



**Policy Chapter:** Chapter 13 Research and Innovation

**Policy Number and Title:** 13.003 Recovery and Distribution of Facilities and Administrative Funds

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**I. Policy Statement**

This policy sets forth institutional requirements related to recovery and distribution of Facilities and Administrative (F&A) funds. UNT applies the federally negotiated F&A rates to all sponsored project grants and contracts, including projects involving federal, state, private and non-profit sponsors. In the event a sponsor limits or prohibits the full recovery of the federal F&A amounts; the institution will recover the allowable amount. The institution does not allow voluntary F&A waivers.

**II. Application of Policy**

All Sponsored Projects

**III. Policy Definitions**

**A. Facilities & Administrative Costs**

“Indirect Costs,” “Facilities and Administrative Costs,” or “F&A Costs,” in this policy, means the recovery of those costs that are incurred for common or joint objectives in support of instruction, research, and public service. Therefore, cannot be identified readily and specifically with a particular sponsored project. F&A costs are synonymous with “indirect” costs.

**B. Facilities and Administrative Funds**

“Facilities and Administrative Funds” or “F&A Funds,” in this policy, mean those funds that were recovered as a result of F&A Costs being charged to a sponsored project.

**C. Sponsored Project**

“Sponsored Project,” in this policy, means an instruction project, public service project, or research project funded by an external sponsor with an expected outcome or deliverable.

**IV. Policy Responsibilities**

**A. Facilities and Administrative Rates**

1. The Vice President for Research and Innovation and the Vice President for Finance and Administration shall establish distribution mechanisms and corresponding percentage rates for recovered F&A funds.
2. All faculty and staff members engaged in sponsored project activities shall include an appropriate F&A rate in all proposed budgets and seek assistance from Grants and Contracts Administration (GCA), as necessary, to determine the appropriate rate to be used.

**B. Collection and Distribution**

Grants and Contracts Administration will collect F&A funds on all sponsored projects and distribute recovered funds according to the established distribution mechanism.

**C. Monitoring of Expenditures**

University Budget Office shall monitor expenditures in accounts funded with F&A revenues to ensure compliance with UNT guidelines for expenditures from local accounts, and work to resolve any issues related to expenditures with the account holder.

**V. Resources/Tools/Forms**

[UNT Grants and Contracts Administration \(GCA\) Web Site](#)

**VI. References and Cross-References**

[UNT Policy 13.002, Award Management and Financial](#)

[UNT Policy 13.008, Sponsored Projects Proposals](#)

**VII. Revision History**

Policy Contact:	Assistant VP, Grant & Contract Administration
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