



Dear Colleagues,

A goal of the Office for Research is to establish consistent and transparent processes to better support investigators who contribute to the research mission of the University. Developing clear and effective policies that advance academic excellence, promote research synergies, and support our researchers with strong infrastructures and processes built on equity and recognition are essential for the success of Rutgers University.

Therefore, the Office for Research is pleased to announce the implementation of a new **Sponsored Programs Facilities and Administrative Costs Policy** ([section 90.1.1](#) in the Rutgers Policy Library). This Policy memorializes and strengthens our current practices relating to applying Facilities and Administrative (F&A) costs to sponsored programs. The Policy ensures consistent application of F&A across the University, appropriate F&A charges to sponsored projects per Rutgers' [federally negotiated rate agreement](#), and consistent sharing of F&A for collaborative programs within Rutgers. A major goal of this policy is to improve funds flow for projects across Chancellor-led Units (CLUs) and positively impact future F&A rate negotiations to allow the University to better support sponsored programs.

Key elements of the policy are:

- Negotiated F&A rates are expected to be applied to all sponsored programs.
- F&A costs returns across Rutgers units will be distributed based on effort, activities, or direct costs (unless the units involved reach a different agreement).
- The federally negotiated F&A rate will apply to federal pass-through funds.
- One faculty member must be identified as the contact Principal Investigator (PI), even for multi-PI projects.

Lower F&A rates may be accepted under specific circumstances, such as when:

- The source of funding on a state award pass-through is not federal.
- The sponsor provides clear and publicly available guidance applied uniformly to all award recipients restricting F&A.
- The CLU of the PI approves an F&A waiver or reduction.

The Policy can be viewed at the [Rutgers University Policy Library](#). Please submit comments and questions to F&A_Policy_Feedback@research.rutgers.edu.

Sincerely,

Michael E. Zwick, PhD
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J. Michael Gower
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