

Research and Sponsored Programs Procedure

Determination of On-Campus and Off-Campus F&A Rates

1. Overview

Rutgers, The State University of New Jersey, has negotiated both on-campus and off-campus Facilities and Administrative (F&A) rates with its cognizant agency, the Department of Health and Human Services (DHHS). These rates apply to sponsored awards and are available in the Federal Rate Agreements. The determination of whether to apply an on-campus or off-campus F&A cost rate is primarily based on the preponderance of the project activities.

2. Purpose

This procedure outlines the expectations and methods for determining the appropriate on-campus or off-campus F&A rate for sponsored program activities conducted by Rutgers faculty and staff, ensuring compliance with federal rate agreements and university policies.

3. Who Must Comply

This policy applies to all members of the University community involved in sponsored projects that include or may include fabricated equipment, including:

- Principal Investigators (PIs)
- Department Personnel/Administrators
- Grant Specialists (GS) within Research & Sponsored Programs (RSP)
- Research & Sponsored Programs (RSP) Leadership
- Rutgers Division of Cost Analysis and Reporting
- Office for Research Leadership (Vice President for Research Administration or Senior Vice President for Research)

4. Definitions

On-Campus sponsored program activities:	Defined as activities conducted in facilities owned or leased by Rutgers where Rutgers provides all facilities and maintenance services for that space, such as housekeeping, landscaping, utilities, and HVAC.
Remote Work Location (On-Campus):	When employees are approved to work remotely, their designated remote work location - such as a home office - is considered an extension of the campus for the purposes of university policies, expectations, and conduct standards.
Off-Campus sponsored program activities:	Defined as activities conducted in facilities not owned or maintained by Rutgers. All activities conducted at field locations where no permanent facilities are considered offsite and are not apportioned between their onsite and offsite components.
F&A Rates:	Facilities and Administrative rates, also known as indirect costs, are negotiated with the Department of Health and Human Services (DHHS).

5. Procedure

- A. **Determination Based on Activity Location** The primary method for determining the appropriate F&A rate is based on the preponderance of where the project activities take place.
- **On-Campus Project Designation:** A project is considered “on-campus” if 50% or more of the Rutgers activities are performed in facilities owned by Rutgers or for which rent is directly paid by University funds. In such cases, the on-campus rate will apply to the entire project, including the first \$25,000 of each subaward/subcontract.
 - **Off-Campus Project Designation:** A project is considered “off-campus” if 50% or more of the Rutgers activities are performed using non-Rutgers facilities. When the off-campus rate is to be used, the proposal narrative and supporting documents should clearly demonstrate that more than 50% of the Rutgers project activities are to be conducted off-campus.
 - **Entire Project Designation:** The on-campus or off-campus designation applies to the entire project, not for each fiscal year, per Rutgers Federal Rate Agreements.
 - **Exclusions:** Tasks performed by subawardees and consultants are not to be considered when determining if the project qualifies as on-campus versus off-campus.
- B. **Clarification of Facility Status**
- A list of facilities/buildings considered “on-campus” has been developed by the Rutgers Division of Cost Analysis and Reporting and is included in the indirect cost pool for facilities. This list is provided to Research & Sponsored Programs for ease of reference.
 - If there is doubt about whether a specific facility is considered on- or off-campus, PIs should refer to their assigned Grant Specialist (GS) in Research & Sponsored Programs.
 - In the event that a space is not on the list or is in question, inquiries should be directed to the GS, who will consult with the Cost Analysis group. The PI and the pre-award department administrator will be included in the correspondence for easy reference.
- C. **Determination for Unclear Cases (Budget Breakdown)**
- When the use of the appropriate F&A rate cannot be determined based on where most of the activities are being performed, PIs are required to provide an internal breakdown of the budget to the GS.
 - All direct costs (less consultants and subawards) to be incurred for on-campus activities will be listed in one column, and all direct costs (less consultants and subawards) to be incurred for off-campus activities will be listed in another column.
 - The column with more than 50% of Rutgers’ direct cost expenditures will determine the rate to be applied to the proposal.
- D. **Disagreement and Appeals**
- If the PI, Department, and GS disagree on the appropriate rate, the leadership of Research & Sponsored Programs, in conjunction with the Division of Cost Analysis and Reporting, will make the final determination.
 - Appeals regarding the final determination may be directed to the Vice President for Research Administration or the Senior Vice President for Research in the Office for Research.

6. Roles and Responsibilities

- A. **Principal Investigators (PIs):**
- Work with their Grant Specialist and departmental staff to determine the appropriate F&A rate,

especially when the location of work is not clear.

- Provide the RSP Grant Specialist with an internal budget breakdown if the F&A rate cannot be determined by the location of activities.

B. Department Personnel/Administrators:

- Are included in correspondence regarding facility status questions.
- Support PIs in the F&A rate determination process, especially in unclear cases.

C. Research & Sponsored Programs (RSP) Grant Specialist:

- Serves as the primary contact for PIs regarding F&A rate determination and facility status questions.
- Consults with the Cost Analysis group when facility status is in doubt.
- Works with PIs and departmental staff to make determinations in unclear cases.
- Reviews internal budget breakdowns provided by PIs for F&A rate determination.

D. Rutgers Division of Cost Analysis and Reporting:

- Develops and maintains the list of facilities considered "on-campus".
- Consults with Grant Specialists on facility status questions.
- Participates in the final determination process in cases of disagreement.

E. Research & Sponsored Programs (RSP) Leadership:

- Makes the final determination regarding the F&A rate in cases of disagreement among the PI, department, and Grant Specialist.

F. Vice President for Research Administration or Senior Vice President for Research (Office for Research):

- Handles appeals concerning the final F&A rate determination.

7. Resources

- [Federal Rate Agreements](#)
- List of facilities/buildings considered "On-Campus" (available through RSP Grant Specialists)
- [Research and Sponsored Programs Grant Specialist Assignments](#)

8. Contacts

- Research and Sponsored Programs: (848) 932-0150, ru-orsp@research.rutgers.edu.
- Research Financial Services: (848) 932-4146, financialservices@research.rutgers.edu.