**FSU F&A / IDC Rate Agreement Guidance and FAQ’s**

The current rate agreement for FSU is in effect between **7/1/2021 through 6/30/2023** and is located under the Quick Links, F&A Agreement, below:

<https://www.research.fsu.edu/research-offices/sra/>.

**FAQ’s**

* ***If the F&A rate changes between the time of proposal and award or during the life of a project, which F&A rate should be used?***

The negotiated F&A rate agreement in effect at the award date will be used, not the rate in the proposal, throughout the life or competitive segment of the sponsored agreement. For this purpose, competing renewals are considered new awards and should use the rate agreement in effect at the time of the competing renewal submission.

* ***What F&A rate should be used for Competing renewals?***

Competing renewals are considered new awards and should use the rate agreement in effect at the time of the competing renewal submission.

### ***My application was previously submitted at 54% F&A rate before the notification of the new rates. Will this rate be honored even though the new rate agreement specifies lower rates effective 7/1/2021?***

Based on the Uniform Guidance, awards that were received using the provisional rate of 54% during the period of 7/1/2021 to the effective date of the new rate agreement must be adjusted to the new negotiated rates for the competitive segment, even it the rate is lower.

1. Grants awarded *before 7/1/2021,*remain as awarded and will utilize the 54% for the remainder of the competitive segment.
2. Grants awarded *after 7/1/2021*, while the provisional ratewas in place will be adjusted to the new negotiated rates.

**Per the** **Uniform Guidance-Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs)**:

**C. DETERMINATION AND APPLICATION OF INDIRECT (F&A) COST RATE OR RATES**

**7. Fixed Rates for the Life of the Sponsored Agreement**

Federal agencies must use the negotiated rates except as provided in paragraph (e) of §200.414 Indirect (F&A) costs, must paragraph (b)(1) for indirect (F&A) costs in effect at the time of the initial award throughout the life of the Federal award. Award levels for Federal awards may not be adjusted in future years as a result of changes in negotiated rates.  “Negotiated rates” per the rate agreement include final, fixed, and predetermined rates and **exclude provisional rates**. “Life” for the purpose of this subsection means each competitive segment of a project. A competitive segment is a period of years approved by the Federal awarding agency at the time of the Federal award. If negotiated rate agreements do not extend through the life of the Federal award at the time of the initial award, then the negotiated rate for the last year of the Federal award must be extended through the end of the life of the Federal award.

b. Except as provided in §200.414 Indirect (F&A) costs, when an educational institution does not have a negotiated rate with the Federal government at the time of an award (because the educational institution is a new recipient or the parties cannot reach agreement on a rate**), the provisional rate used at the time of the award must be adjusted once a rate is negotiated and approved by the cognizant agency for indirect costs.**

### ***How will the F&A rate be applied to existing federal multiyear contracts?***

Federal contracts will continue with the current rate until the end of the period of performance as specified in the agreement.  Therefore, if the contract defines a specific F&A rate that is locked into the agreement that will be the rate which is utilized.

* ***How will the F&A rate be applied to existing non-federal grants?***

The rate approved by the sponsor at the time of the award will continue for the remainder of the award period.

* ***What F&A rate should be used to prepare the budget for a supplemental proposal?***

Supplemental funding will be considered new funding unless sponsor policies state otherwise. Any application for new uncommitted funding, such as a supplement, should incorporate the new rates.

Exception: The National Science Foundation has a policy of funding supplemental support using the negotiated indirect cost rate(s) approved at the time of the initial award, these supplemental proposals to NSF should use the rates in the original agreements. Refer to NSF PAPPG Chapter X.D.1.d.

### ***What F&A rate is applied to carryover funding?***

Carryover is subject to the current F&A rate.