LOUISIANA STATE UNIVERSITY

Finance & Administrative Services

Date: July 10, 2013

To: F. King Alexander, President and Chancellor
William Richardson, Chancellor
Jack Weiss, Chancellor
Dr. William Cefalu, Executive Director

From: Bob Kuhn, Interim Vice Chancellor for Finance
and Administrative Services and CFO

Subject: Facilities and Administrative Rates Applied to Sponsored Projects

Facilities and Administrative (F&A) rates have been negotiated with our cognizant audit agency, the Department of Health and Human Services. The following rates are effective from July 1, 2013 through June 30, 2017.

F&A Rates [1] to be applied to Modified Total Direct Costs (MTDC) [2]

LSU, Pennington Biomedical Research Center, and Hebert Law Center

Function	Location	Non-State Agency Rate	State or Local Government Rate
Instruction	On campus	49.0%	24.5%
	Off campus	26.0%	13.0%
Research	On campus	48.0%	24.0%
	Off campus	26.0%	13.0%
Public Service	On campus	35.0%	17.5%
	Off campus	26.0%	13.0%

LSU Agricultural Center

Function	Location	Non-State Agency Rate	State or Local Government Rate
All programs	On campus	40.0%	20.0%
	Off campus	26.0%	13.0%

[1] Statutory requirements specific to certain federal programs may limit F&A recovery on some awards.

[2] F&A costs are calculated by multiplying the MTDC by the appropriate F&A rate. MTDC is defined as total direct costs less:

- Each subgrant/subcontract recipient in excess of $25,000 (i.e., the first $25,000 is included in the calculation)
- Capital equipment expenditures (i.e., items costing $5,000 or more with a useful life of at least one year)
- Alterations and renovations
- Rental costs of off-site facilities
- Scholarships, fellowships, prizes and awards

Effective July 1, 2013, these F&A rates will be applicable to all proposals for new sponsored projects. However, proposals for continuation of incrementally funded awards which maintain the same sponsored agreement award/contract number shall use the rates approved in the award. Ongoing projects with funds already awarded will also continue at the rates approved in the award.

Robert Kuhn

Bob Kuhn
Interim Vice Chancellor for Finance
and Administrative Services and CFO

Enclosure

cc: Vice Chancellor K.T. Valsaraj
Associate Vice Chancellor Donna Torres, CPA
Ms. Winona Ward
Ms. Patricia Territo, CPA
Ms. Ann Coulon
Mr. Guy Lavergne
Mr. Albin Murtagh, CPA
Deans, Directors, Department Heads
ASP Members