I. Policy Statement

Facilities and Administrative (F&A) costs, also known as indirect costs or overhead, is defined as real costs related to sponsored projects that are not easily attributable to individual projects, such as maintenance, security, heating, cooling, lighting, space, disposal of hazardous waste, secretarial support, the library, and cost of compliance with government regulations. Effective July 1, 2011, Lehman College’s federally negotiated rate agreement as determined by our cognizant federal agency, The Department of Health and Human Services, is 63% salaries and wages, including fringe benefits, for all on-campus programs and 24.6% salaries and wages, including fringe benefits, for all off-campus programs. Deviation from Lehman’s rate agreement is considered cost sharing, which is prohibited by most federal funding agencies, The City University of New York, and Lehman College.

II. Purpose

This policy outlines the acceptable application of F&A rates for externally funded grant proposals.

III. Procedure

Where indicated by the sponsor in the program announcement, the Office of Research and Sponsored Programs will approve F&A rates below our federally-negotiated rate in accordance with sponsor restrictions. Where F&A restrictions are not specified in writing, Lehman’s federally negotiated rate agreement applies (63%). For proposals to foundations and “fee for service” contracts, Lehman will charge F&A at the rate of 15% total direct costs.

VI. Implementation

This policy is applicable to externally funded grant proposals submitted through the Office of Research and Sponsored Program. This policy is effective January 1, 2014.