

New F&A Rates for Industry Specialty Agreements

Implementation Fall 2017

Background

The Division of Finance, the Office of Economic Development and Industry Relations, and the Office of the Vice President for Research have agreed on a new simplified set of F&A (facilities and administration, also known as 'indirect cost') rates for industry specialty agreements. Over the years, Iowa State has negotiated different F&A rates with industry sponsors depending on the type of project to be performed. The different rates, between 0% and full F&A rate (currently at 52% for on-campus research project) have led to confusion among our industry sponsors.

These new F&A rates are uniform for all Industry-sponsored trials and technical evaluations: they do not involve the development of new intellectual property, and the sponsor determines the trial/evaluation protocol. Please see the attached file for the characteristics of these types of agreements. The new F&A rates are:

- Animal Product Trials – 15%
- Field Trials – 15%
- Human Subject Trials – 15%
- Technical Evaluations – 15%

In addition, the following company-matching programs will be assessed the same F&A rate:

- CIRAS Technical Assistance Program– 15%
- Regents Innovation Fund projects (RIF) – 15%

Research agreements (currently 52% on campus, and 26% off campus), agreements with approved commodity groups (0%), and Fee for Service DO NOT fall under this new F&A rate. See the attached file for the characteristics of these agreements. In addition, agreements with federal agencies (or involving federal flow-through funds) DO NOT fall into any of the trial and evaluation categories mentioned above.

Implementation of the new F&A Rates

The following implementation plan should minimize disruptions to campus and to collaborations with industry partners:

- The new F&A rates take effect September 20, 2017.
- Current projects will continue at the current F&A rate for the term of the agreement.
- OIPTT will continue to make the decision about the type of agreement to be used for a project, including if it fits the definition for a specialty agreement. Should questions arise, OIPTT will consult with the Office of the Vice President for Research.
- New agreements or renewals of current agreements will follow the new F&A rates, if applicable.
- No IDC waiver is required for using the new F&A rates for new agreements categorized by OIPTT.
- Projects that are currently Fee for Service (FFS) projects and need to be switched to an agreement type listed above can continue as FFS for the term of the agreement. They will be transitioned at the time of the next agreement renewal.