

# Office for Sponsored Research and Award Administration

## Off-Campus F&A Rate

### FAQs

These Off-Campus F&A Rate FAQs were developed to assist budget development in the context of a typical federally funded research project. Every project will be evaluated based on its unique circumstances as part of OSRAA's proposal review.

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#### ON-CAMPUS

**“The On-Campus rate is applicable to projects or activities that take place in facilities owned or leased by OSU.”<sup>1</sup>**

**1.Q: When should the On-Campus F&A rate be used?**

A: On-Campus F&A rates should be used for all sponsored projects performed in any building owned or leased by OSU.

**2.Q: What are examples of an OSU owned or leased facility?**

A: On-Campus facilities include campus facilities such as Corvallis Campus, Hatfield Marine Science Center (HMSC), Cascades Campus, and OSU Portland Center. On-Campus facilities also include some branch Agriculture Experiment Stations, OSU farms and other OSU research facilities.

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#### OFF-CAMPUS

**“The Off-Campus rate is applicable to sponsored projects performed in facilities which are not owned or leased by OSU, or when rent of a facility is directly allocated to the project as an approved direct cost. Where a project occurs both at On-Campus and Off-Campus locations, the budget should be split with the appropriate rate being applied to each portion. OSU has determined that such a split is justified when there is an activity period of 90 or more consecutive days away from the On-Campus facilities.”<sup>1</sup>**

**3.Q: When should the Off-Campus F&A rate be used?**

A: The Off-Campus F&A rate should be used for an entire project or the part of a project that takes place in an Off-Campus location, subject to the qualifications below. Note that convenience, telecommuting, conferences, and summer travel are not justifications for the Off-Campus determination.

**4.Q: My research is at OSU-Cascades. Does that mean I can use the Off-Campus F&A rate?**

A: OSU-Cascades campus in Bend is an On-Campus facility.

**5.Q: I am a faculty member at OSU-Cascades but my research is at a rented facility. Can I use the Off-Campus F&A rate?**

A: Sponsored projects at OSU-Cascades frequently rent space for their projects. If sponsored project activities will occur in the rented space, and the rent is a direct charge to the project, follow the “project paying for rent” guidance below.

**6.Q: When does an entire project qualify for the Off-Campus F&A rate?**

A: An entire project will qualify for the Off-Campus F&A rate if the entire project is performed in facilities that are not owned or leased by OSU.

**7.Q: What direct costs cannot use the Off-Campus F&A rate?**

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A: All **subawards** are considered On-Campus, as F&A is only assessed on the first \$25,000 of each subaward. Note that the direct costs exempt from F&A per the Modified Total Direct Costs (MTDC) definition are the same for On-Campus and Off-Campus F&A rates.<sup>2</sup>

**8.Q: What if my project is paying the rent/lease cost as a direct charge to the grant?**

A: If the **project is paying for rent/lease** as a direct charge to the project and all project activities are occurring in the rented space, then this is an Off-Campus project and the Off-Campus F&A rate applies to all project activities, except subawards as noted above. If not all of the project activities are occurring in the rented space, see the split budget guidelines below.

- If leased space is used for multiple projects, the cost of the lease should be allocated to those multiple sponsored projects proportionally.
- Lease expenses on a sponsored project are exempt from F&A as per the MTDC definition.<sup>3</sup>

**9.Q: What if my project is not paying the rental costs for the Off-Campus location?**

A: A sponsored project can still qualify for Off-Campus F&A rates (even if the project is not paying for the lease/rental costs) if the project is occurring at a facility that is not OSU owned or leased. This is typical for projects that take place in federal facilities, county offices, or at field sites. Examples include the following:

- US Environmental Protection Agency (EPA) Building (Corvallis)
- USFS Corvallis Forestry Sciences Laboratory (FSL)
- Oregon Natural Heritage Information Center (Portland)
- NOAA Building (Newport)
- Extension offices located in non-OSU owned or leased facilities; i.e., county office buildings

**10.Q: I have heard that the project activity must be more than 90 days in the Off-Campus location but my project is less than 90 days?**

A: Projects with a total period of performance under 90 days can still qualify as completely Off-Campus. There will be no split budgets containing On-Campus and Off-Campus components for projects with a total period of performance under 90 days.

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**ON-CAMPUS AND OFF-CAMPUS**

**11.Q: Why are the On-Campus and Off-Campus F&A rates different?**

A: Oregon State University's On-Campus indirect cost rate (F&A rate) is comprised of a Facilities component and an Administrative component.<sup>4</sup> The Off-Campus F&A rate consists of only the Administrative component. The Facilities component is excluded from the Off-Campus F&A rate due to the project not using OSU facilities. Incidental use of OSU facilities by project personnel during the project period does not prohibit an Off-Campus F&A rate determination for a sponsored project.

**12.Q: I know that my project has an On-Campus component but there is a significant portion that is occurring Off-Campus. Can both F&A rates apply?**

A: Yes, Oregon State University's F&A rate agreement allows for split budgets that contain both On-Campus and Off-Campus components, subject to the 90-day rule:

- On/Off-Campus Split F&A Rate Definition: "Where a project occurs both at On-Campus and Off-Campus locations, the budget should be split with the appropriate rate being applied to each

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portion. OSU has determined that such a split is justified when there is an activity period of 90 or more consecutive days away from the On-Campus facilities.”<sup>1</sup>

- In determining the 90-day continuous Off-Campus requirement, the focus is “where a project occurs”. Sponsored project activities include all aspects of the sponsored project such as research, publication, outreach, and mentoring. Sponsored project activities do not include unrelated job duties as an employee of Oregon State University such as academic or departmental responsibilities.

#### **13.Q: Is there a minimum dollar amount to qualify for a split On- and Off-Campus project?**

A: No, to qualify for a split On/Off-Campus budget, there must be at least a 90 days continuous absence from OSU On-Campus facilities for project-related activities as described above (the 90-day rule).

#### **14.Q: How do I determine which budget line items go into the Off-Campus section of a split budget?**

A: The answer is dependent on the circumstances of the project but some general guidelines are provided below. The focus is on how the cost benefits the sponsored project.

- **Faculty Salary:** Faculty salary charges should be viewed as the person’s continuous absence from the On-Campus portion of the research project, not the individual’s entire removal from the university such as student or teaching/administrative duties. That is, if a faculty member is working on the project at an Off-Campus location for at least 90 consecutive days but is returning to campus during that time for teaching or departmental duties, the focus is on the location of the effort for the salary charged to the sponsored project.
- **Students:** Student salary should be allocated to the location where they are performing the work for the sponsored project. If the student is supporting a PI who is Off-Campus, it is typical for the student to also be Off-Campus. The focus is on the student’s work on the sponsored project, not their other activities as a student. Tuition follows the student’s salary even though it is typically not subject to F&A.
- **Travel Costs:** Follows the traveler’s status. If the traveler’s salary for the time period where they are traveling is Off-Campus, then their travel charges would be considered Off-Campus. For projects with split budgets, travel costs to an Off-Campus location from an On-Campus location (e.g. flying to a field location from campus) will be considered an On-Campus expense.
- **Supplies:** Follows the location of the intended use. If the preponderance of the use is at an Off-Campus location, it should be classified as an Off-Campus expense. The budget justification should detail the reason for the allocation of supplies between On-Campus and Off-Campus.
- **Subawards:** All subawards are considered On-Campus.
- **Consultants/Services:** Typically considered On-Campus for consultants or professional services that are engaged for the general benefit of the project. If clearly demonstrated that the consultant is only working during the time period and location of the Off-Campus location, then this can be an Off-Campus cost (e.g., local Pakistani consultant working with research team during a three month field work trip in Pakistan).
- **Remote Employees:** OSU employees whose regular assigned work location is a non-OSU owned/leased facility are considered **remote employees** and should use the Off-Campus F&A rate for salary, travel, supplies and related expenses. Temporary changes in work location such as travel or On-Campus visits do not affect this remote employee status. In contrast, **telecommuting employees** have an assigned OSU work location are not considered remote employees even if they spend much of their time working elsewhere. Note that convenience,

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telecommuting, conferences, and summer travel are not justifications for the Off-Campus determination.

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<sup>1</sup> FY19-FY22 F&A Rate Implementation Memo dated 1/14/2019

<sup>2</sup> 2 CFR 200 § 200.68

<sup>3</sup> 2 CFR 200 § 200.68

<sup>4</sup> 2 CFR 200 § 200.414