

UNDERSTANDING FACILITIES AND ADMINISTRATIVE (F&A) COSTS

THE COMPLETE COST OF CONDUCTING RESEARCH

THE DIRECT AND INDIRECT COST OF RESEARCH

The University of Illinois is one of the nation's research powerhouses—and conducting that research requires investment in both direct and indirect costs.

Things like personnel, project-specific equipment, and supplies are considered “direct costs” and are covered by individual federal grants. Those grants are also intended to cover “indirect costs,” which are often less visible things like utilities, IT support, laboratory space, safety programs, library infrastructure, and compliance staff to meet federal, state, and university requirements.

Indirect costs, also called Facilities and Administrative costs (F&A), keep the lights on, ensure the safety of research subjects, prevent discoveries from falling into the wrong hands—and most importantly, keep innovations that power our nation's economy flowing from our research labs. Fair reimbursement of these expenses is critical to the continued vibrancy of the Illinois Research Enterprise.

→ WHAT DOES F&A DO? RESEARCH SAFETY: AN EXAMPLE

Safely conducting university research requires appropriate chemical waste pickup services, the proper disposal of chemical, biological, and radioactive waste, training in safe laboratory practices, and laboratory inspections. At Illinois, researchers are not directly charged for these services—these costs are factored into our F&A rate.

REIMBURSEMENT OF F&A

F&A reimbursement for federal research awards is governed by a process that is highly regulated. But it's important to note that the F&A rate that we negotiate with the government does not fully cover our actual research operating expenses.

At Illinois, we make a strategic investment in our research enterprise by using funds from other sources to make up this shortfall. That puts pressure on already limited resources. Cuts to or caps on F&A would undermine our ability to achieve our very mission: conducting world-changing research that solves societal problems and drives our nation's economy.

Some of these projects include:



Ensuring the reliability and security of the nation's power grid

go.illinois.edu/CREDC



Infrastructure to unite the nation's scientific computing resources

go.illinois.edu/XSEDE



Ag technologies to enable bioenergy production

go.illinois.edu/TERRA-MEPP



Drug development to treat rare brain cancer

go.illinois.edu/PAC1

FEDERAL REIMBURSEMENT AT ILLINOIS

Federal F&A reimbursement does not fully cover the University's actual research operating costs.

ALL FEDERALLY FUNDED PROJECTS FY16

