

Calculating Facilities & Administration (F&A) Costs

DIRECT COSTS

Direct Costs reflected in the budget are costs that benefit the specific project, are necessary to complete the project, and are charged directly to the project. Direct Costs include:

- Personnel
- Equipment
- Travel
- Participant Support Costs
- Materials & Supplies
- Consultant Costs
- GSR Fees and Tuition
- Subawards
- IRB Fees
- Patient Care Costs
- Lease Costs
- Facility Recharges, etc.
- Equipment
- GSR Fees & Tuition
- Lease Costs
- Non-UC Subaward costs beyond the first \$25k of each subaward
- Subawards to other UC Campuses*
- Participant Support Costs
- Capital Expenditures
- IRB Fees (if the sponsor is from Industry only)
- Patient Care Costs
- Scholarships/Fellowships

MTDC excludes the following costs:

**Subawards to other UC campuses are always excluded from the F&A base regardless of the base type.*

F&A COST FORMULAS

Based on Modified Total Direct Costs (MTDC):

1. Calculate the Total Direct Cost and subtract the **excluded** items listed above:
 - a. $TDC - [\text{excluded items}] = \text{MTDC Base}$
 - b. $\text{MTDC Base} \times \text{F\&A rate} = \text{F\&A Costs}$

Based on Total Direct Costs (TDC):

1. Indirect costs based on TDC do not include subawards to other UC campuses.
 - a. $TDC - [\text{subawards to UC campuses}] = \text{TDC Base}$
 - b. $\text{TDC Base} \times \text{F\&A rate} = \text{F\&A Costs}$

Based on Total Costs (TC):

1. If only direct costs are known:
 - a. $[\text{TDC} \div (1 - \text{F\&A Rate})] - \text{TDC} = \text{F\&A Costs}$
2. If only the total budget limit is known:
 - a. $\text{TC} - [\text{TC} \times (1 - \text{F\&A Rate})] = \text{F\&A Costs}$