IDC (Facilities & Administrative Fees)
FAQs

What is IDC?
I like to refer to it as InDispensable Capital

What rate should I use?
The rate that is appropriate for your project; the "ideal" rate is the one that matches the activities in the scope of work and is applied appropriately.

How do I find this rate?
There are two ways: (1) ask your grant specialist or (2) consult the F&A rate chart: http://research.ufl.edu/dsp/proposals/budgeting/fa-rates-idc.html

What should I do if I need to give a number fast?
Use the full federal on-campus rate of 52.5% (maximum 1/3 of our budget) since the appropriate rate will be applied at the agreement stage and you can only stand to get more funds for direct expenditures. This strategy will also avoid pissing off sponsors by saying the project will cost more. For example, if you know the project will cost $100k, say $150k. If they balk, then there is time to get into the details but under no scenario will the costs increase (which is putting you in a good position).

What is the highest IDC I will pay?
First, IDC represents costs (real and auditable costs) that have either already been paid so UF has the facilities and infrastructure available for your use (including having the staff with expertise to be prepared to carry out the work), or those that will be incurred to give you access to the money to pay for the program, and ensure all bills are paid and you get your 10% IDC return. Second, if you use the highest rate possible (i.e., 52.5%), only approximately 1/3rd of your project costs go to these facilities, infrastructure and ongoing services in support of your project. This is the way we need to think about these costs. At MOST they will be one-third of your total budget, and often it is much less. I would encourage all faculty to calculate the total share of their total budgets that have gone to IDC and then subtract out their IDC returns to determine the net rate they paid to conduct their project. What is that number?

What does it mean to say we are using "negotiated" rates?
First, it does not mean faculty should negotiate rates. This is a technical term which means that the rate was based on UF providing accounting information and the government accepting our documentation of costs in support of all activities that are shared across projects. In most cases, the government does not simply accept, but they ask for additional information in support of our costs, which is why this process is referred to as "negotiation." Second, all negotiated rates apply only to certain categories of direct expenses; exempt categories are referred to as "modifiers" and include costs for such things as tuition, equipment, subcontracts > $25k, participant support, and scholarships/fellowships. As a result, all negotiated rates are referred to as being applied to the Modified Direct Total Cost or MTDC. The implication? Any project that has modifiers will have a total budget that has a lower share of indirect costs (i.e., < 1/3rd).

What factors determine the differences in IDC rates?

- Location of PI (on campus or off campus/REC)
- Location of work (if "off campus", e.g., we pay for rental of space NOT at a REC)
- Primary function (e.g., teaching or research)
- Agency (state, federal, non-profit, etc.)
- Sponsor requirements (e.g., deliverables, IP, confidentiality, etc.)

What else affects the amount of the project paid for indirect costs?

- Proposals and agreements that apply the IDC rate to modified budgets are referred to as "MTDC", if there are no modifiers then IDC is applied to the total direct costs (TDC).

What are UF's IDC Rates?

There are several since it is based on the factors listed above, here is the summary of how they are mostly frequently applied to sponsored projects in IFAS Anything that falls into the rate chart does not need to be justified; you can use those rates as long as the SOW (scope of work) is appropriate. Rates in **green** are negotiated. Rates in **purple** are pre-approved waivers.

Sponsor	***Primary Purpose***	***Location of work***	***Rate and base***
Sponsors without a Pre-Approved Exemption	Research	On campus	52.5% MTDC
	REC Research	On campus	34.1% MTDC
	Other Sponsored Activity (OSA) – serves a public good	On campus	32.6% MTDC
	Instruction	On campus	47.5% MTDC
	Any	Off campus	26.0% MTDC
Department of Defense (DOD)	Research	On campus	54.5% MTDC
		Off campus	28.0% MTDC
Government Entities in FL Including FL State Agencies	Any	Any	10.0% TDC
State of FL Water Management Districts	Any	Any	25.0% TDC
Non-Profit Grower/Producer Associations OR Foundations	Any	Any	12.0% TDC
Industry	Faculty Service Programs (FSPs)	Any	15.0% TDC

Notes:

- **Off-Campus:** For activity conducted in any buildings that are NOT owned & maintained by UF and rent is charged to the project (i.e., RECs are on campus, NOT off campus).
- **SPAs (Sponsored Program Agreements):** Use the OSA rate but are merely agreements that are simplified with fixed reporting deliverables on a pre-defined timeline. No attachments.
- Some programs (including federal) have specified (i.e., different rates) than in the table (e.g., **FDACS-SCBP** are 5.5% TDC).
- **Total Federal Funds Awarded (TFFA):** This is a way of calculating IDC that requires a comparison of rates. It can be used with various sponsors, but mostly USDA.