When Georgia State faculty conduct research for federal agencies like the National Institutes of Health, the federal government funds both the costs of doing the research itself (such as personnel or project-specific equipment) and the F&A expenses that support our research enterprise.

HOW ARE F&A RATES CALCULATED?
Georgia State’s F&A rates are based on the university’s actual operating costs. These rates are negotiated with the federal government through a rigorous and highly regulated process. We, in turn, apply those same rates to research projects paid for by non-federal sponsors and partners.

WHY IS F&A REIMBURSEMENT IMPORTANT?
While the federal government’s funding for F&A pays for part of the costs of supporting research, it does not fully cover the university’s actual research operating expenses. F&A is only a partial reimbursement for the overhead costs already incurred by the university to support our faculty. In FY2016, doctoral institutions across the U.S. spent $5 billion of their own funds on unrecovered F&A costs.

Fair reimbursement of F&A by our research sponsors and partners is critical to our continued ability to conduct rigorous, high-quality research. F&A costs are always strategically reinvested to benefit the research enterprise.