Space Cost Category Definitions

Revised 7/21/08

This is a working document and as such, we would appreciate any information and/or insight which would help us develop stronger policies for NMT’s research community.

INTRODUCTION

Assigning functions or uses to space is one of the most critical parts of the Facilities and Administrative (F&A) or indirect cost proposal. The results of the space survey determine how most of the facility costs in the F&A or indirect cost proposal (depreciation, interest, and operations and maintenance expenses) will allocate to the Institute’s direct functions such as instruction and organized research. Because space has a substantial impact upon the F&A rate, it is essential to code each room with the correct cost category code to match its function.

The space study must be reviewed periodically, but not less frequently than every two years, updated if necessary, and used consistently. (A-21, Section E2d(3)(e))

Definitions of each cost category/function are listed below.

Cost Categories

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<th>Major Functions (Direct Cost Pools):</th>
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<th>Indirect Cost Pools:</th>
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LI  Library

F&A Exclusion Codes:

RC  Service Center (when space is part of service center rate)

EX  Exclude (non-expense funds)

Space only designation:

JT  Joint Use

UA  Unassigned

VA  Vacant

INSTRUCTION (IN) Space used for teaching and training activities. This includes space used for class, student counseling, grading, class preparation and departmental research defined as development or scholarly activities not separately budgeted and accounted for as research. (A-21 Section B.1.a.)

1. Non-sponsored Teaching and Training: This term includes all non-sponsored teaching and training activities, whether they are offered for credits toward a degree or certificate or on a non-credit basis. Instructional activities include classroom teaching, preparing and typing of examinations and instructional materials, and grading examinations and assignments.

2. Departmental Research: Departmental research is funded from budgets that are not restricted to a specific project which includes, but is not limited to, bridge funding for researchers in between research projects and start-up funding. This space includes labs and other research facilities used for activities that do not meet the definition of Organized Research.

ORGANIZED RESEARCH (SR) includes all research and development activities of the Institute that are separately budgeted and accounted for on a specific project basis and research cost sharing. Organized research activities include:

1. Research grants, contracts, and cooperative agreements sponsored by the federal government and non-Federal agencies and organizations (e.g. states, cities, foundations, corporations, etc.) and administered by the Restricted Funds Department.
2. **University research projects funded with Institute funds, which are separately budgeted and accounted for** and administered by Research and Economic Development. (e.g. Geophysical Research Center).

3. **Research cost sharing:** Cost sharing related to organized research projects. This includes agency required cost share and voluntary committed cost share. In the case of the space allocation, also include voluntary uncommitted cost sharing.

4. **Organized research projects** are defined as projects that require a proposal or other application to obtain funding, have a defined scope of work associated with the project, anticipate a "deliverable" result, and require that periodic financial and progress reports be submitted to the sponsor. (A-21 Section B1.b.1 & 2)

Whenever a room is coded as organized research, regardless of the percentage assigned, an organized research fund number must also be assigned to the room.

**OTHER SPONSORED ACTIVITIES** (SO) are programs and projects financed by Federal and non-Federal agencies and organizations that involve the performance of work other than instruction and organized research. Examples of Other Sponsored Activities are sponsored training grants, public service projects and public service conferences. Sponsored training refers to specific instructional or training activities established by grant, contract, or cooperative agreement. It also includes the sponsored training of individuals in research techniques (commonly called research training). (A-21 Section B.1.c)

**OTHER INSTITUTIONAL ACTIVITIES** (OA) include auxiliary enterprises, such as the operations of residence halls, dining halls, student unions, intercollegiate and intramural athletics, bookstores, faculty housing, student apartments, guest houses, theaters, public museums, community relations and development, and other similar auxiliary enterprises. It also includes student-related activities such as counseling and career guidance, student advising, student publications, financial aid, admissions, registrar, student health services, and commencement which are considered Student Services Administration. (A-21 Section B.1.d)

**GENERAL ADMINISTRATION** (GA) includes institutional activities that provide administrative support for the daily functioning of the entire Institute, such as executive management, financial management and fiscal operations (accounting), general administrative services (such as personnel and payroll) and logistical services (such as campus mail and purchasing). Separate organizational units that specifically support sponsored programs, such as the Restricted Funds Department and Research and Economic Development should be classified as Sponsored Projects Administration. (A-21 Section F.5)

**DEPARTMENTAL ADMINISTRATION** (DA) includes the administrative activities performed by academic departments to support the primary programs of instruction, research, and other sponsored activities. This support includes the departmental chair and department-level administrative duties such as secretarial, personnel, payroll, purchasing, and other accounting activities. Include a portion of the Chairperson’s office, 100% of the department secretary’s space, meeting rooms used to conduct general department business, rooms used for general departmental storage, and departmental libraries used for both research and instruction. This
function includes grant and contract proposal preparation for solicitation of outside sponsor. (A-21 Section F.6)

**SPONSORED PROJECTS ADMINISTRATION (SP)** Space used for all activities that involve the administration of separately budgeted research and development projects. Only Research and Economic Development and the Restricted Funds Department should have any activity under this function. (A-21 Section F.7)

**STUDENT SERVICES ADMINISTRATION (SS)** includes space used for the administration of student affairs and student services, which include admissions, registration, counseling and placement services, student advisement, and for services to students outside the classroom. Specific offices may be the Office of the Vice President for Student Affairs, Dean of Students, Admissions Office, Registrar, Student Financial Aid Office, Career Services, Student Health Center, a portion of Bursar's Office, and other student services administration space. (OMB A-21 Section F.9)

**OPERATIONS AND MAINTENANCE (OM)** includes services related to the central administration, supervision, operation, maintenance, preservation, and protection of campus facilities. Services include: janitorial and custodial services; repairs and ordinary or normal alterations to buildings, equipment, and furniture; design services; security; earthquake and disaster preparedness; environmental health and safety; property and equipment insurance; space and capital leasing; facility planning and management; care of grounds; maintenance and operation of buildings and other physical facilities. (A-21 Section F.4)

**LIBRARY (LI)** Space used for activities that directly support the operation of the library. Departmentally funded libraries which do not report to the central library system and do not have a "check out" system and librarian should be treated as departmental administrative space. (A-21 Section F.8)

**SERVICE CENTER (RC)** is the cost category to designate space that is directly charged to users of a specific service center. It is an exclusion code. Not all service centers recover the cost of space through their rate structure. This is only for those that do incorporate the use of space in their service center rate. If you are unsure how space is recovered in your service center, contact the Restricted Funds Department Cost Accounting Office.

**EXCLUDE (EX)** Designation for funds that are not incorporated into the F&A cost recovery. These are primarily non-expense funds.

**JOINT USE (JT)** designates space used for multiple functions, the proportions of which cannot be determined with a high degree of accuracy. Conference rooms, faculty offices, and TA/RA offices are examples of space that should be designated as Joint Use. Joint Use space will automatically be assigned functions in the same proportions as departmental salaries and wages. For example, if 15% of a department’s salaries and wages are charged directly to organized research grants, then 15% of that department’s joint use space will be classified as organized research.
**UNASSIGNED (UA)** includes public common areas such as hallways, stairwells, elevators and rest rooms.

**VACANT (VA)** includes only the space that is **vacant for the entire year**. If space is only vacant for part of the fiscal year, assign functions according to how it was used when occupied.