

February 17, 2016

To: FAU Community

This memorandum serves as an official document and establishes the Facilities and Administrative (F&A or “indirect”) costs for industry-funded clinical trials.

As an exception to recovery of our federally-negotiated F&A cost applicable to research at Florida Atlantic University (FAU), effective February 2016, “Clinical Trials”, as defined below are subject to 31% indirect costs. This rate applies to the Total Direct Cost (TDC), and no budgeted item is excluded from the application of indirect. This rate applies regardless of whether an Industry Clinical Trial is based on an industry-funded industry-initiated, or an industry-funded investigator-initiated protocol.

**Definition of “Industry Clinical Trial”, for the purpose of application of 31% TDC F&A:**

The controlled, clinical testing in human subjects of investigational new drugs, devices, treatments, or diagnostics, or comparisons of approved drugs, devices, treatments, or diagnostics, to assess their safety, efficacy, benefits, costs, adverse reactions, and/or outcomes. Such studies may be conducted under an industry-funded industry-initiated protocol, an industry-funded investigator-initiated protocol or an industry-funded collaborative protocol.

The industry clinical trial indirect cost rate of 31% Total Direct Costs is a fair rate and adequately reimburses the University for the F&A costs associated with conducting clinical trials. Any federally funded research trials will use the federally funded research F&A rate.

For any questions or further information, please contact the Director, Sponsored Programs at 561-297-0853.

Sincerely,



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Florida Atlantic University