

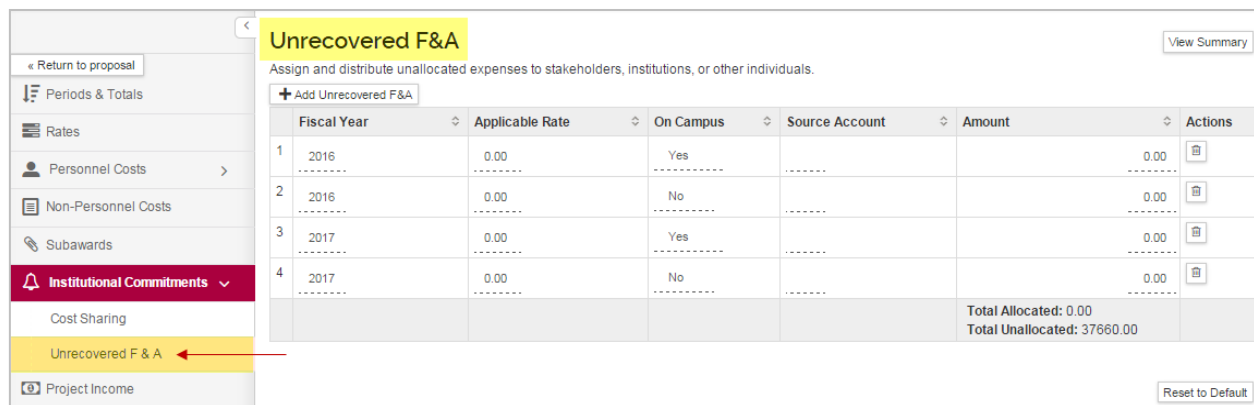
Overview:

If your budget incurs Underrecovery, you must identify the sources of funding that will support the expense and distribute it to those sources. Underrecovery (unrecovered F&A) is generated by indirect costs that are not paid by the Sponsor. Some ways this can happen are:

- The Sponsor will not pay the Institute's full F&A expenses.
- The Sponsor uses a different indirect cost base, such as Total Direct Cost (TDC).
- The Sponsor uses a different rate than the current Institute rates, such as a fixed-for-the-life award.


Procedure:

While in the Budget, click the **Institutional Commitments** → **Unrecovered F&A** on the **Navigation** panel. The **Unrecovered F&A** screen will open with default settings for each Project Period (Fiscal Years, On/Off Campus, etc.).



Fiscal Year	Applicable Rate	On Campus	Source Account	Amount	Actions
1 2016	0.00	Yes		0.00	[Icon]
2 2016	0.00	No		0.00	[Icon]
3 2017	0.00	Yes		0.00	[Icon]
4 2017	0.00	No		0.00	[Icon]
				Total Allocated: 0.00	
				Total Unallocated: 37660.00	

Figure 1 – Unrecovered F&A Subpanel

1. Click the **View Summary** button, to see the Unrecovered F&A amounts that must be distributed per project period. Click the **Close** button or  to close out of this window.

Unrecovered F&A By Period	
Period	Amount
Period:1:09/01/2015 - 08/31/2016	19040.00
Period:2:09/01/2016 - 08/31/2017	18620.00

Close

Figure 22 – Unrecovered F&A By Period Window

2. In the **Unrecovered F&A** screen, for each Fiscal Year/Project Period:
 - a. Click on the rate in the **Applicable Rate** column to enter the applicable F&A rate. The field will become editable upon clicking on it. (This rate will default from the rates entered in the **Rates** panel. Skip this step if the correct rate appears in the field.)

Unrecovered F&A							View Summary
Assign and distribute unallocated expenses to stakeholders, institutions, or other individuals.							
+ Add Unrecovered F&A							
Fiscal Year	Applicable Rate	On Campus	Source Account	Amount	Actions		
1 2016	0.00	Yes	0.00	[Trash]	
2 2016	0.00	No	0.00	[Trash]	

Figure 3 – Editing Applicable Rate

- b. Click in the field in the **Source Account** column to enter the Account Number for Underrecovery. The field will become editable upon clicking on it.



Note: If the Account is yet to be determined, enter one of the applicable placeholder source accounts:

- 0000001 – Institute
- 0000002 – Provost
- 0000003 – School
- 0000004 – DLC
- 0000005 – Tuition Subsidy
- 0000006 – UROP
- 0000007 - Unknown

Unrecovered F&A							View Summary
Assign and distribute unallocated expenses to stakeholders, institutions, or other individuals.							
+ Add Unrecovered F&A							
	Fiscal Year	Applicable Rate	On Campus	Source Account	Amount	Actions	
1	2016	0.00	Yes	1234567	0.00		
2	2016	0.00	No		0.00		

Figure 4 – Editing Source Account

- c. Click on the field in the **Amount** column to enter the amount being distributed to the Source Account for the selected Fiscal Year/Budget Period. The field will become editable upon clicking on it.

Unrecovered F&A							View Summary
Assign and distribute unallocated expenses to stakeholders, institutions, or other individuals.							
+ Add Unrecovered F&A							
	Fiscal Year	Applicable Rate	On Campus	Source Account	Amount	Actions	
1	2016	0.00	Yes	1234567	19040.00		
2	2016	0.00	No		0.00		

Figure 5 – Editing Amount

Note: If the entire project is taking place On Campus, then the Off Campus lines can be deleted from the screen by clicking the in the **Actions** column for those lines (and vice versa).

- 3. Repeat these steps to distribute all the Unrecovered F&A.

Note: The **Total Unallocated** field should be **0.00** once all the Underrecovery is distributed.

Unrecovered F&A							View Summary
Assign and distribute unallocated expenses to stakeholders, institutions, or other individuals.							
+ Add Unrecovered F&A							
	Fiscal Year	Applicable Rate	On Campus	Source Account	Amount	Actions	
1	2016	0.00	Yes	1234567	19040.00		
2	2017	0.00	Yes	1234567	18620.00		
					Total Allocated: 37660.00		
					Total Unallocated: 0.00		

Figure 6 – Total Unallocated

Related Documentation:

[F&A Underrecovery Rate Types](#)

[De Minimis Rate Application](#)

Getting Help

For questions regarding *Kuali Coeus Proposal Review & Approval Quick Reference Cards*, email the Support Team at ra-help@mit.edu.