**NIH cap on foreign institution F&A:**

There has been some in-house discussion, and the consensus on interpreting the new federal guidance is that it would supercede the policy located online, which was last updated in 2013, in which the NIH capped the F&A rate for foreign institutions at 8%.

Many agencies, including the NIH, have not completed the updates to their policy statements, so our only reference for instruction comes from the federal register.

SPGA’s recommendation is that in pursuing a foreign subaward with an institution that does not have a rate agreement, the budget justification for that subrecipient should justify its F&A budget request by citing the current DHHS regulations ("**We are requesting F&A at a de-minimus 10% rate on our modified total direct cost base as per U.S. federal regulations 45 CFR 75.414(f)")**

Once the NIH provides its updated Policy statement, that we will then have definitive instruction for handling of all foreign institutions.

*(The language above is from an e-mail from Andrew French to Jamie Rittenhouse on 2/12/15*