Figure 4.1. Cumulative number of new Federal regulations governing research at U.S. universities between 1991 and 2014. From [17].

Key Summary Points
- The first set of cost accounting principles for indirect costs were established in 1947 and formally codified in Circular A-21 in 1958.
- Indirect cost rates were capped from 1950 to 1963.
- In 1966, indirect cost rate caps were removed, but mandatory cost sharing was introduced.
- The administrative component of the F&A rate was capped at 26% in 1991. Since then, the number of Federal regulations governing research at universities has increased continuously, with no change in the cap to cover the associated costs.

Figure 6.1. The ratio of F&A to total project costs for NIH Research Project Grants from 1998 through 2014. From [4].