

The University has new F&A rates for grants* effective July 1, 2006. The following information is intended to assist you in the conversion by providing clarification on how the federal regulations prescribe rate implementations for federal proposals and existing grants and how other proposals and awards will be treated.

FACILITY AND ADMINISTRATIVE (INDIRECT) COST RATES

	Rate prior to 7/1/06 (OLD)	Rate effective 7/1/06 (NEW)
Research On-campus	48.5%	48%
Research Off-campus	26%	26%
Instruction	54%	54%
Public Service	32%	32%

PROPOSALS

Proposals for new grants

The **new** rates apply to competitive applications/proposals effective immediately. If the sponsor has written policies that limit the rates, use the maximum rate the sponsor allows.

Proposals for Continuation or Annual renewals of existing grants within the same project period

The **old** rates should be used for all continuations and non-competitive renewals where the original project started prior to July 1, 2006.

NEW AWARDS, CONTINUATIONS AND SUPPLEMENTS (Federally Funded)

Grants with less than full F&A cost recovery and fixed price agreements will not require rate adjustments.

Grants with **award or issue dates (not budget or project period start dates)** prior to July 1, 2006 will remain at the old rates throughout the life of that grant (all non-competitive segments).

Grants with **award or issue dates (not budget or project period start dates)** on or after July 1, 2006 will be adjusted to reflect the new rates, and will remain at the new rates throughout the life of that grant (all non-competitive segments). If a pre-award authorization was approved and costs were incurred prior to the July 1, 2006 date, all pre-award costs will be at the new rate.

Supplements to existing grants and competing renewals will be treated as new awards if the **award or issue date** is on or after July 1, 2006.

NEW AWARDS (NOT Federally funded)

Awards will remain at the rate approved in the award or the original application/proposal rate, whichever is less.

EXISTING GRANTS

Grants awarded as of June 30, 2006 will remain at the old rates.

*Grants for the purpose of this document include grants, contracts, cooperative agreements, purchase orders and other forms of assistance or procurement.