

University of Illinois at Springfield  
 FY10-13 Facilities/Administrative (F&A) Rate and Base  
 FY10 Fringe Benefit Rates (Percentages)

FACILITIES AND ADMINISTRATION (F&A) RATES		On-Campus	Off-Campus
	Federally Funded Organized Research	<b>44.10%</b>	<b>18.20%</b>
	State	<b>10%</b>	<b>10%</b>
	Other Sponsored Activities*	<b>10%</b>	<b>10%</b>

Base is Modified Total Direct Costs (MTDC) on proposals to the federal government which excludes equipment costing \$5,000 or more, subcontract expenditures in excess of \$25,000, fellowships, scholarships, traineeships, and rental/lease of capital items

Base on all other proposals is Total Direct Costs (TDC)

\*This rate can be modified as dictated by the sponsor

FRINGE BENEFITS RATES							
Employee Group	Total Benefits Rate	Retirement	Health, Life, & Dental Insurance	Workers' Compensation	Termination Sick & Vacation Leave	Medicare	OASDI
Employees Covered By The State University Retirement System (SURS)	<b>39.58</b>	9.73	26.23	0.59	1.58	1.45	
Non-student Employees NOT covered by SURS	<b>7.65</b>					1.45	6.20
Students	<b>.59</b>			.59			

**Rate Application Guidelines**

**I FACILITIES AND ADMINISTRATIVE COST RATES**

Facilities & Administrative (F&A) Rates (also known as indirect cost rates) and fringe benefits rates are established in accordance with the federal government's Office of Management and Budget (OMB) Circular A-21, Cost Principles for Higher Education. These rates are negotiated between the University of

Illinois and the Office of Naval Research (ONR), the cognizant federal agency overseeing the administration of sponsored agreements at the University of Illinois.

The current University of Illinois at Springfield Facilities and Administrative Rates end June 30, 2013.

F&A and fringe benefit rates are applicable to all externally-sponsored projects (grants, contracts, cooperative agreements, subgrants and subcontracts) funded by federal, state, local government or private sponsors. There are separate rates for Federal, State, and Other Sponsored Activities, and for federal projects there are distinct rates for on-campus and off-campus projects (see section on On/Off-Campus Rate Application, below). The application of these rates allows the University to recover certain costs (e.g. facilities, utilities, libraries, administration, student services, etc.) associated with externally-funded training and research activity.

All proposals to sponsors must include budget requests for F&A costs and fringe benefits, using the rates negotiated by the University and OBFS Government Costing Office, unless the funder does not allow for such costs or unless a reduced rate is approved by the Vice Chancellor and Provost of Academic Affairs on a case-by-case basis.

### **A FY10 MTDC Base (effective with projects using FY10 rates)**

The Modified Total Direct Cost base against which the facilities and administrative cost rate is assessed **includes:**

- salaries and wages
- fringe benefits
- materials and supplies
- travel
- services
- the first \$25,000 of those subawards (subgrants or subcontracts) where a portion of the scope of work is subcontracted to a party external to the University (account codes 156000-156149)  
Note: A subaward for an amount greater than \$25,000 would be assessed F&A on the first \$25,000 only over the lifetime of the award.

For assessment and budgeting purposes, MTDC **excludes** the following direct costs:

- Subaward expenditures in excess of \$25,000 in 156000-156149 as well as all expenditures coded 156150-156200.
- Fellowships, Scholarships, and Traineeships (allowable only on sponsored training agreements) coded 181XXX.
- Rentals and Leases. The cost of renting or leasing any property or equipment is to be budgeted in proposals and charged to account codes as follows:
  - 143XXX--Equipment Rentals
  - 157XXX and 158XXX--Operating Leases
  - 169XXX--Capital Leases
- Equipment (including lease purchased and fabricated equipment) costing \$5,000 or more.
- Any other expenditure recorded in an expense account code 163XXX-199999.

### **B Rates to Be Used in Proposals**

1. **Projects Funded by U. S. Government, Commercial, and Private Sponsors** -The applicable rates to be used in proposals are shown on the F&A Rate Chart above. Using any other rates requires approval as described under Waiver of Facilities and Administrative Cost below.

2. **State of Illinois Sponsored Projects** - Principal Investigators and/or units are responsible for ascertaining the source of funding for State programs prior to submitting proposals to State of Illinois agencies or entities.
  - For projects supported entirely with State of Illinois funds (agencies of the State and Illinois Local Governmental units), the rate is 10% of Total Direct Costs (TDC) unless the sponsor specifies higher rates, in which case the higher rate will be utilized. For projects supported with combined State and Federal funds, the rate is 10% of Total Direct Costs.
  - For projects administered by State agencies supported totally with Federal funds, use the full negotiated rates above.

### **C Application of On-Campus, Off-Campus Facilities and Administrative Cost Rates**

Application of the appropriate On-Campus or Off-Campus facilities and administrative cost rate is determined at the beginning of each Sponsored Agreement and must be equitably adjusted if the circumstances that determine the application change materially during the period of performance.

The University of Illinois at Springfield maintains federally negotiated indirect cost rates with the federal government for both on campus and off campus activities. The rate that applies to where the majority of the project activity (>50%) will take place should be applied to the entire proposed budget. Please contact the Pre-award Grants and Contracts Office for assistance with the use of the off campus rate.

### **D Waivers of Facilities & Administrative Costs**

Proposals are to use the approved rates above **except** when:

- The sponsor is a governmental agency or not-for-profit entity that formally limits the amount it provides for facilities and administrative cost reimbursement (provide sponsor policy when the proposal is submitted to the Preaward Grants and Contracts Office); or
- The sponsor does not have an explicit policy limiting F&A, but the unit has obtained the approval of the Provost, representing the committee stipulated in Section 6.f. of The General Rules Concerning University Organization and Procedure, for a full or partial waiver of facilities and administrative costs. Requests for waivers must be submitted in writing, along with the signed internal clearance form and the proposal, prior to submission to a sponsor. Direct these documents to Deb Koua, Grants and Contracts Coordinator, Office of Grants, Contracts and Research Administration. **Only the Provost can approve a full or partial waiver of these costs.**

### **II FY10 TUITION REMISSION RATES**

The Campus has elected not to charge tuition remission on sponsored projects.

### **III FRINGE BENEFIT RATES**

The FY2010 fringe benefit rate is 39.58%. Grants will be assessed for termination benefits on all salaries paid. Unlike facilities and administrative cost rates, changes in fringe benefit rates are assessed immediately when they become effective, even if the budgeted rates are different. Fringe benefit rate changes for FY10 will be effective July 2009 (BW15 and MN7 pay periods). These rates are finalized after federal audit and negotiations with any changes communicated at that time.

In February, the SURS system announced the retirement rate of 9.73% to be effective July 1, 2009. The rate for employees who have elected the self-managed plan should be used as appropriate.

## **IV IMPLEMENTATION**

### **Implementation of Organized Research Rate**

Current grants and contracts will operate according to the provisions under which they were negotiated and awarded.

### **QUESTIONS**

Please address any questions on rate applications in proposals to Deb Koua, Grants and Contracts Coordinator/Division of Academic Affairs in the Office of Grants, Contracts and Research Administration at 217-206-7409, [druss1@uis.edu](mailto:druss1@uis.edu).

Questions related to rate applications to project financial funds should be directed to Rebecca Jones, Coordinator of Grants and Contracts/OBFS Grants and Contracts Post-Award Office at 217-206-7849, [rjone1@uis.edu](mailto:rjone1@uis.edu).