

**University of Illinois at Urbana-Champaign State of Illinois' GOMB Facilities and Administrative Rate
Schedule
FY 2020**

The Illinois Governor's Office of Management and Budget (GOMB) did not reach an agreement on a statewide methodology for calculation of state universities indirect cost rates. In lieu of a statewide policy, the State of Illinois Grants Accountability and Transparency Unit (GATU) provided rate setting guidance. Accordingly, the methodology for our facilities and administrative rates utilizes our federally negotiated rates adjusted to account for all state funding received by the institution based on our audited financial statements. The rates and information below apply to proposals submitted to and awards from GOMB state agencies for financial assistance.

The University of Illinois at Urbana-Champaign provides the following guidance for the assessment of the appropriate State of Illinois' GOMB sponsored project indirect rate.

1. For all proposals submitted, pending, or awarded prior to July 1, 2019, the indirect cost rate shall either be the rate proposed or the awarded rate for the previous fiscal year.
2. The following schedule represents the FY 20 State of Illinois' GOMB Rates for the University of Illinois at Urbana-Champaign. These rates reflect the maximum not-to-exceed threshold for our indirect costs assessments on State of Illinois projects. The project classification, determined by the Activity Type and Location, will define the appropriate rate. The assessed rate shall not be less than the Minimum Rate noted below per project classification without approval of the Office of the Vice Chancellor for Research.

ACTIVITY TYPE	LOCATION	
	ON-CAMPUS	OFF-CAMPUS
Research	37.70% MTDC	16.73% MTDC
Instruction	29.47% MTDC	16.73% MTDC
Other Sponsored Activity	20.53% MTDC	15.18% MTDC
Minimum Rate	20.00% MTDC	10.00% MTDC

3. The University of Illinois at Urbana-Champaign may mutually agree to a reduced indirect cost rate on a case-by-case basis. Any reduction shall be subject to a minimum of 20% Modified Total Direct Costs for On-campus activities and 10% Modified Total Direct Costs for Off-campus activities.
4. Mandatory cost sharing utilizing the reduction of the indirect costs will be calculated on the basis of the State of Illinois Rates. For example, if we agree to a 20% Modified Total Direct Cost On-campus rate for a Research project, the contributed cost share of the unrecovered indirect is calculated at 17.70% Modified Total Direct Costs (37.70% minus 20%).
5. If a project is subject to a state or federal legislated cap on indirect costs, the legislated cap will be honored.

University of Illinois at Urbana-Champaign
State of Illinois' GOMB Facilities and Administrative Rates
Frequently Asked Questions

1. How are the State of Illinois' GOMB maximum not-to-exceed rates calculated?

The Governor's Office of Management and Budget (GOMB) – Grant Accountability and Transparency Unit (GATU) provided all state universities guidance for the rate reduction methodology. The University of Illinois methodology utilizes the annual University Audited Financial Statements to calculate rate reductions against our federally negotiated indirect cost rates. The reductions account for all received State of Illinois appropriations and payments on behalf of the university.

2. Will the State of Illinois' GOMB rates change each year?

Yes. Per the guidance of the Governor's Office of Management and Budget (GOMB) – Grant Accountability and Transparency Unit (GATU), the rates are adjusted each year to account for the annual differences in the levels of the State of Illinois appropriations and payments on behalf of the university.

3. Will the university honor the indirect rates submitted, pending, or awarded prior to the start of FY 19 and assessed either on direct costs or cost share commitments?

Yes. Projects proposed or awarded prior to the implementation of the GOMB rate methodology will be honored for the terms of the funded awards. New funding or new projects going forward should be based on the current or prevailing GOMB rates.

4. Am I required to seek approval from the Office of the Vice Chancellor for Research if the project utilizes the minimum rate based on my project classification as determined by activity type and location?

No. Exception approvals from the Office of Vice Chancellor for Research are only required when the requested rate falls below the minimum rate of 20% Modified Total Direct Costs for On-campus Research, Instruction, or Other Sponsored Activity or the minimum rate of 10% Modified Total Direct Costs for Off-campus Research, Instruction, or Other Sponsored Activity.

5. Am I required to seek approval from the Office of the Vice Chancellor for Research if the project utilizes a rate below the minimum rate based on my project classification?

Yes. If the Principal Investigator desires to use a rate less than the minimum rate based on the project classification and there is no published legislated rate cap, the Principal Investigator should seek an F&A Waiver Request. The request should be submitted 7 business days in advance of the submission deadline in accordance with the procedure outlined in [CAM RP-03](#).

6. Are there consequences if the rate exception requested is below the minimum rate for the project classification?

Maybe. In the event the rate exception is approved and falls below the minimum rate per the project classification, the university reserves the right to adjust the distribution of the earned overhead.

**University of Illinois at Urbana-Champaign
State of Illinois' GOMB Facilities and Administrative Rates
Frequently Asked Questions**

7. If a State of Illinois GOMB funded project is awarded over multiple fiscal years, will the rate change each year?

No. The university will honor the rate proposed and awarded. New project funding supplemental to the initial multiple-year award will be subject to the indirect rate at the time of the supplemental request.

8. Will the university honor a legislated rate cap that falls below the minimum State of Illinois rate for my project classification?

Yes. Under the condition the GOMB agency provides the citation for the legislated cap, the University will defer to the capped rate. If there is no citation provided, the University reserves the right to seek clarification from the Governor's Office of Management and Budget – Grants Accountability and Transparency Unit (GATU) before accepting the legislated cap.

9. Are the State of Illinois; GOMB rates applicable to federal flow-through funding via the state agencies?

Yes. The GOMB rates are applicable to all sources of funds that flow through the State of Illinois including 100% federal flow-through funding or any mix of federal and state monies. If we are aware the funding is of federal origin, our preference is to charge the maximum not-to-exceed rate per your project classification. However, we recognize the state agency may not indicate at the time of the proposal the source of funding is federal thus negating our opportunity to request the maximum not-to-exceed rate.

10. If the State of Illinois GOMB agency requires cost sharing, what indirect rate should be used for calculating cost share?

Cost sharing should be calculated on the State of Illinois maximum not-to-exceed rate per your project classification. Project classification is determined by activity type (Research, Instruction, or Other Sponsored Activity) and project location (On-campus or Off-campus).

11. Can I cost share the unrecovered facilities and administrative costs resulting from the difference between the State of Illinois' GOMB maximum not-to-exceed rate and a reduced project rate?

Yes. You can cost share the difference between the reduced rate and the maximum not-to-exceed State of Illinois rate. However, the difference must be calculated on the rate consistent with your project classification based on project activity (Research, Instruction, or Other Sponsored Activity) and project location (On-campus or Off-campus).

12. Can I cost share the difference between the State of Illinois' GOMB rate and the federally negotiated rate?

No. The GOMB rates must be used for all cost sharing for the rate has been adjusted to account for the State of Illinois appropriations and payments on behalf of the University of Illinois.

**University of Illinois at Urbana-Champaign
State of Illinois' GOMB Facilities and Administrative Rates
Frequently Asked Questions**

13. Can my project be subject to a Total Direct Cost basis for the calculation of the rate instead of the Modified Total Direct Cost basis?

Maybe. The State of Illinois rates are based on the Modified Total Direct Costs basis. Some GOMB agencies have negotiated on the Total Direct Cost basis in the past but our preference is to utilize the Modified Total Direct Costs basis to be consistent across state agencies and with our federally negotiated rates. However, if the Total Direct Cost inferred equivalent rate is more than the minimum Modified Total Direct Cost rate or does not exceed the maximum Modified Total Direct Cost rate for your project classification, then the Total Direct Cost basis may be acceptable.

14. Can my State of Illinois GOMB funded project be subject to multiple indirect cost rates, i.e. On-campus and Off-campus rates?

No. The project activity (Research, Instruction, or Other Sponsored Activity) and project location (On-campus or Off-campus) determine the rate, and a single rate shall apply for the life of the project.

15. Are there any State of Illinois projects not subject to GATU and the State of Illinois rates?

Yes. Some agencies, for example, the Illinois State Library, do not report to Governor's Office of Management and Budget (GOMB) and is therefore is not subject to GATA. Unless there are state or federal statutory restrictions on facilities and administrative costs, projects not subject to GATA (i.e. GOMB agency and a financial assistance mechanism) propose using the federal negotiated indirect cost rate.

16. Can I charge Tuition Remission on a state project given the State of Illinois rates have been adjusted to account for all appropriations and payments on behalf of the University?

Generally No. The State of Illinois Governor's Office of Management and Budget (GOMB) has not provided any guidance permitting the charging of tuition.

17. What rate should be charged for state sponsorship outside Illinois?

If the Prime Sponsor is federal, then the project is subject to the federal negotiated indirect cost rate. If the state agency will provide funds in the absence of federal funding, then the project should at least be subject to the prevailing rate charged to a State of Illinois' GOMB sponsored project. If the project is classified as an On-campus project, we would charge the other state at least the minimum rate of 20% Modified Total Direct Costs unless the project was subject to a legislated rate cap or was granted a rate exception below the minimum amount.