

University of Illinois at Chicago
State of Illinois 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 State 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 University of Illinois at Chicago provides the following guidance for the assessment of the appropriate State of Illinois 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 Rates for the University of Illinois at Chicago. 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.

ACTIVITY TYPE	LOCATION	
	ON-CAMPUS	OFF-CAMPUS
Research	36.84% MTDC	15.99% MTDC
Instruction	24.97% MTDC	15.99% MTDC
Other Sponsored Activity	22.14% MTDC	15.99% MTDC

3. The University of Illinois at Chicago may mutually agree to a reduced indirect cost rate on a case-by-case basis.
4. Required 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 costs is calculated at 16.84% Modified Total Direct Costs (36.84% 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 Chicago
State of Illinois Facilities and Administrative Rates
Frequently Asked Questions

1. How are the State of Illinois 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 the State makes on behalf of the University.

2. Will the State of Illinois 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 will be adjusted each year to account for the annual differences in the levels of the State of Illinois appropriations and payments the State makes 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 State of Illinois rate methodology will be honored for the terms of the funded awards. New funding or new projects going forward should be based on the State of Illinois rates.

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

Yes. If the Principal Investigator desires to use a rate less than the published State of Illinois rate based on the project classification and there is no published legislated rate cap, the Principal Investigator should follow guidance provided here: [Submission of Proposals with Less than Full Facilities and Administrative Costs \(F&A\)](#).

5. If a State of Illinois 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.

6. Will the University honor a legislated rate cap that falls below the published State of Illinois rate for my project classification?

Yes. Under the condition the State of Illinois 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.

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

Yes. The State of Illinois 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.

8. If the State of Illinois 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).

9. Can I cost share the unrecovered facilities and administrative costs resulting from the difference between the State of Illinois 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).

10. Can I cost share the difference between the State of Illinois rate and the Federally negotiated rate?

No. The State of Illinois 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.

11. 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 State of Illinois 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 does not exceed the maximum Modified Total Direct Cost rate for your project classification, then the Total Direct Cost basis may be acceptable.

12. What criteria are used to determine if a project is subject to an Off-campus rate?

The criteria for use of the off-campus rate are as follows:

- Performance at the off-campus location must be on a continuous basis and of sufficient duration, normally a full semester, summer term, or the period of performance of the sponsored agreement; intermittent performance is not sufficient;
- The University personnel working or engaged on the project must be physically located at an off-campus site; and
- Off-campus costs may include costs incurred at the off-campus site for salaries, related fringe benefits, supplies, utility costs, rent, local travel, and other similar costs that are treated as direct. Travel to and from an off-campus site is considered an off-campus cost.

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

No. If a project involves work at on and off-campus sites, a single F&A rate should generally be applied consistent with where the majority of the work is to be performed. 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.

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

Yes. The Illinois State Library reports to the Secretary of State, and not the Governor's Office of Management and Budget (GOMB) and therefore is not subject to GATA. Unless there are state or federal statutory restrictions on facilities and administrative costs, projects not subject to GATU should be proposed using the federal negotiated indirect cost rates.