

May 8, 2008

SUBJECT: Facilities and Administrative Cost Rates

Our current federally negotiated facilities and administrative (F&A) cost rates agreement expired on June 30, 2008. Therefore, for project proposal budget purposes, effective July 1, 2008, we will operate under provisional forecasted F&A cost rates until our current F&A rate proposal is negotiated and finalized with the U.S. Department of Health and Human Services, our cognizant audit agency.

**Attached is a document showing the F&A cost rates that should be used in the preparation of proposals for all new federal and non-federal research, instruction, and other sponsored projects.**

In accordance with OMB Circular A-21, Section G, "Determination and application of F&A cost rate or rates", effective July 1, 2008, the F&A cost rates applied to actual direct expenditures of federal and non-federal awards for reimbursement purposes will be those rates that were in effect for fiscal year ending June 30, 2008. These rates will be used for reimbursement purposes until the new F&A costs rate agreement is executed. Further guidance will be provided at that time on the application of the correct rates to be used for both budgeting and reimbursement purposes.

Programs operating under an approved waiver will continue to be reimbursed based on the F&A cost rates agreed to under the terms in the waiver and will continue to use the agreed upon rate for proposals submitted to those programs.

Please contact Nilo Mia, Cost Policy & Analysis at (530) 752-4621, Ahmad Hakim-Elahi, Office of Research, at (530) 747-3825 or Kathy Hass, Accounting & Financial Services, at (530) 757-8525, if you have questions about this directive.

Mike Allred  
Associate Vice Chancellor  
Finance/Controller

Ahmad Hakim-Elahi  
Director of Sponsored Programs

Attachment: Facilities and Administrative Cost Rates

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**Attachment:**

Facilities and Administrative Cost Rates

RATES TO BE USED FOR FUNDING PURPOSES ON NEW, RENEWAL OR COMPETING CONTINUATION, AND SUPPLEMENTAL PROPOSALS:

<u>From</u>	<u>To</u>	<u>Rate</u>	<u>Location</u>	<u>Applicable to</u>
7/1/08	6/30/09	52.0	On-campus	Organized Research
7/1/09	6/30/10	53.0	On-campus	Organized Research
7/1/10	6/30/11	53.0	On-campus	Organized Research
7/1/11	6/30/12	54.0	On-campus	Organized Research
7/1/12	Indefinite	54.0	On-campus	Organized Research
7/1/08	Indefinite	26.0	Off-campus	Organized Research
7/1/08	Indefinite	50.0	On-campus	Instruction
7/1/08	Indefinite	26.0	Off-campus	Instruction
7/1/08	Indefinite	35.0	On-campus	Other Spons Activities
7/1/08	Indefinite	25.0	Off-campus	Other Spons Activities
7/1/08	Indefinite	21.5	(2)	CNPRC (1)
7/1/08	6/30/09	51.0	(3)	CNPRC
7/1/08	6/30/09	70.0	(4)	CNPRC
7/1/09	Indefinite	52.0	(3)	CNPRC
7/1/09	Indefinite	71.0	(4)	CNPRC

RATES TO BE USED FOR REIMBURSEMENT PURPOSES FOR EXISTING FEDERAL AND NON-FEDERAL AWARDS:

<u>Applicable to</u>	<u>Rate</u>	<u>Location</u>
Organized Research	52.0	On-campus
Organized Research	26.0	Off-campus
Instruction	45.8	On-campus
Instruction	26.0	Off-campus
Other Spons Activities	34.0	On-campus
Other Spons Activities	22.0	Off-campus
CNPRC – Core grant	21.5	
CNPRC – other than Core grant	51.0	

- (1) California National Primate Research Center
- (2) A-rate; Applied to the core grant
- (3) A+B rate; Applied to federal primate related grants
- (4) A+B +C rate; Applied to non-federal contracts/grants