TO: Deans, Directors, and Department Heads

FROM: James E. Peterson, PhD
Associate Vice Chancellor for Research

DATE: September 25, 2007

SUBJECT: New F&A Rates Budgeting Guidance for On-Campus Sponsored Research

The Office of Sponsored Research and the Federal Department of Health and Human Services have recently completed verbal negotiations of new facilities and administrative (F&A) rates for on-campus sponsored research activities. The new rates are 47.5% for FY09 (start date July 1, 2008) and 48.0% for FY10 (start date July 1, 2009).

Effective immediately, departments should use the FY09 rate of 47.5% in all new and competing renewal budgets that have an anticipated budget period start date of July 1, 2008. Subsequent budget periods, i.e. those beginning on July 1, 2009 and beyond, should be budgeted at the FY10 rate of 48.0%.

This budgeting guidance applies to on-campus sponsored research activities only. All other F&A rates (e.g. off-campus, clinical trials) remain unchanged until the final agreement is executed. A comprehensive list of all F&A rates and the associated budgeting guidelines will be published under separate implementation instructions as soon as they have been finalized.

If you have any questions about the implementation of these rates, please contact Kevin Maynor (962-4453), Hamilton Brown (843-0874) or myself 966-2542.

Thank you.