



January 14, 2019

To: President, Provost/Exec. VP, Vice Provosts, Deans, Business Center Managers (for distribution to Directors, Department Heads, Principal Investigators & Accountants within their unit)

From: Michael J. Green, VP Finance & Administration/CFO
Irem Turner, VP Research, Interim

RE: **FACILITIES & ADMINISTRATION (F & A) RATES FY19-FY22**

Oregon State University's F & A (indirect cost) rates have been negotiated and new rates are now in effect. The new rates listed below are to be used on all new proposals that begin routing on or after the date of this memo. The negotiated F&A rate in effect at the time of the initial award will be used throughout the life or competitive segment of the sponsored agreement. Existing awards requesting additional funding (supplements or renewals) should be processed with the new rates. Rates for all awards whether they are federal or non-federal will be applied in the same manner.

F & A RATES EFFECTIVE JULY 1, 2018 TO JUNE 30, 2022

Type of Activity	Comments	Effective Dates	On Campus	Off Campus	Basis
Organized Research (OR)	Includes Federal and Federal pass-through grants, cooperative agreements, and contracts not from the Department of Defense (DOD) agencies	July 1, 2018 to June 30, 2019	47.0%	26.0%	MTDC
Organized Research (OR)	Includes Federal and Federal pass-through grants, cooperative agreements, and contracts not from the Department of Defense (DOD) agencies	July 1, 2019 to June 30, 2020	47.5%	26.0%	MTDC
Organized Research (OR)	Includes Federal and Federal pass-through grants, cooperative agreements, and contracts not from the Department of Defense (DOD) agencies	July 1, 2020 to June 30, 2022	48.5%	26.0%	MTDC
Organized Research (OR)	Includes Broad Agency Announcement proposals and contracts from DOD agencies and DOD contract pass-through	July 1, 2018 to June 30, 2019	47.7%	26.7%	MTDC
Organized Research (OR)	Includes Broad Agency Announcement proposals and contracts from DOD agencies and DOD contract pass-through	July 1, 2019 to June 30, 2020	48.2%	26.7%	MTDC
Organized Research (OR)	Includes Broad Agency Announcement proposals and contracts from DOD agencies and DOD contract pass-through	July 1, 2020 to June 30, 2022	49.2%	26.7%	MTDC
Organized Research (OR) - Industry	Does not include Federal pass-through funds	July 1, 2018 to June 30, 2019	52.0%	31.0%	MTDC
Organized Research (OR) - Industry	Does not include Federal pass-through funds	July 1, 2019 to June 30, 2020	52.5%	31.0%	MTDC
Organized Research (OR) - Industry	Does not include Federal pass-through funds	July 1, 2020 to June 30, 2022	53.5%	31.0%	MTDC
Other Sponsored Activities (OSA)		July 1, 2018 to June 30, 2019	35.0%	26.0%	MTDC
Other Sponsored Activities (OSA)		July 1, 2019 to June 30, 2022	36.0%	26.0%	MTDC
Other Sponsored Activities (OSA) - Industry	Does not include Federal pass-through funds	July 1, 2018 to June 30, 2022	41.0%	31.0%	MTDC
State of Oregon Agency		July 1, 2018 to June 30, 2022	26.0%	26.0%	MTDC
Vessel Operations		July 1, 2018 to June 30, 2022	32.0%	32.0%	S&W
Intergovernmental Personnel Act (IPA) Agreements		July 1, 2018 to June 30, 2022		7.0%	MTDC

RATE DEFINITIONS

- **Modified Total Direct Costs (MTDC)** – MTDC consists of all salaries and wages, fringe benefits, materials, supplies, services, travel, and sub-awards up to the first \$25,000 of each sub-award (regardless of the period covered by the sub-award). Equipment, capital expenditures, charges for tuition remission, building and land rental costs, scholarships, and fellowships, as well as, the portion of each sub-grant and subcontract in excess of \$25,000 are excluded from modified total direct costs.
- **Organized Research** - Research is the systematic sponsored study directed toward fuller knowledge or understanding of the subject studied. Basic research is activity specifically organized to produce outcomes. Applied research utilizes the outcomes or theory in practice; i.e. toward the production of useful materials, devices or systems. This category includes training of individuals in research techniques.
- **Organized Research on Broad Agency Announcement proposals and contracts from Department of Defense (DOD) agencies and DOD contract pass-through** – OSU is allowed to charge its full administrative component when submitting a proposal to DOD agencies or other entities where OSU will be a sub-recipient on DOD contract funding.
- **Other Sponsored Activities** - Activities that involve the performance of work other than organized research fall into this category. Examples are: sponsored instruction and workshops, course development, non-research training activities, public service activities, cooperative extension outreach, health service projects, and community service programs.
- **State of Oregon Agency** - use 26% for all State of Oregon agreements.
- **Vessel Operations** – The Vessel Operations rate is used only on projects utilizing the Research Vessel (R/V) Oceanus. This vessel is owned by the Federal government and the F&A rate recognizes that Federal ownership.
- **Intergovernmental Personnel Act (IPA) Agreements** – This rate is used for agreements that send OSU employees to Federal agencies on a temporary assignment. These agreements cover the salary and fringe benefits of the OSU employee. On a case-by-case basis, travel expenses may also be included.
- **On-Campus** - The On-Campus rate is applicable to projects or activities that take place in facilities owned or leased by OSU. Included are: Hatfield Marine Science Center (HMSC), Cascades Campus, branch Agriculture Experiment Stations, farms and other research facilities. The on-campus rate is not used when the rent of a facility is directly allocated to the project as an approved direct cost.
- **Off-Campus** - The Off-Campus rate is applicable to sponsored projects performed in facilities which are not owned or leased by OSU, or when rent of a facility is directly allocated to the project as an approved direct cost. Where a project occurs both at on-campus and off-campus locations, the budget should be split with the appropriate rate being applied to each portion. OSU has determined that such a split is justified when there is an activity period of 90 or more consecutive days away from the on-campus facilities. When activities in a sponsored project proposal are located in the following locations and buildings, they qualify to use the off-campus rate:
 - US Environmental Protection Agency (EPA) Building
 - USFS Corvallis Forestry Sciences Laboratory (FSL)
 - Extension offices located in non-OSU owned or leased facilities; i.e. in County office buildings

Note: If a non-profit sponsor has published rates that restrict F&A to less than OSU's negotiated rates, attach a copy of their rate page to the Cayuse SP record and apply the sponsor's rate. For-profit sponsors will be charged the full applicable F&A rate. Contact the Office for Sponsored Research and Award Administration (OSRAA) at 541-737-4933 or sponsored.programs@oregonstate.edu for questions about applying the new rates to future proposals or questions about rates on existing awards.