

Florida State University
New Indirect Cost Rates

Effective **immediately** (except as noted), a new indirect cost rate agreement has been negotiated with the U.S. Department of Health and Human Services (FSU's cognizant audit agency) which contains several changes from our current indirect cost rate agreement. Likewise there are changes to the treatment of indirect costs on non-federal agreements. These changes are a result of recent legislation passed by the Florida Legislature in the 2006 Regular session. The new federal rates may be dependent upon project classification as well as location where the preponderance of the work is being performed. These definitions are explained on page 2 of this document:

****Please note that Sponsored Research Services will make the final determination regarding correct project classification****

Effective Period	Locations	Activity	Federal Negotiated Rate	FSU Applied Rate	Applicable to:
NON NHMFL					
7/1/06 to 6/30/10	On-Campus	Research	47% MTDC	47% MTDC	Non NHMFL activities
7/1/06 to 6/30/10	Off-Campus	Research	26% MTDC	26% MTDC	Non NHMFL activities
7/1/04 to 6/30/10					
7/1/04 to 6/30/10	On-Campus	Instruction	54.5% MTDC	47% MTDC	Non NHMFL activities
7/1/04 to 6/30/10	Off-Campus	Instruction	26% MTDC	26% MTDC	Non NHMFL activities
7/1/04 to 6/30/10					
7/1/04 to 6/30/10	On-Campus	Other Sponsored Activity	32.5% MTDC	32.5% MTDC	Non NHMFL activities
7/1/04 to 6/30/10	Off-Campus	Other Sponsored Activity	22% MTDC	22% MTDC	Non NHMFL activities
NHMFL					
7/1/04 to 6/30/10	On-Campus NHMFL	Research, Instruction & Other Sponsored Activity	67% MTDC	55% MTDC	Excluding NIH, State of FL, local gov'ts, & FL Water Management Districts funded projects
7/1/04 to 6/30/10	On-Campus NHMFL	Research, Instruction & Other Sponsored Activity	67% MTDC	67% MTDC	NIH funded projects
7/1/04 to 6/30/10	Off-Campus (NHMFL)	Research, Instruction & Other Sponsored Activity	24.5% MTDC	24.5% MTDC	Excluding State of FL
All Units (including NHMFL)					
Effective immediately	On-Campus & Off-Campus	Research Instruction & Other Sponsored Activity		Up to 15% TDC	State of Florida funded projects
Effective immediately	On-Campus & Off-Campus	Research Instruction & Other Sponsored Activity		26% TDC*	Local government funded projects
Effective immediately	On-Campus & Off-Campus	Research Instruction & Other Sponsored Activity		25% TDC*	FL Water Management District funded projects

*Cannot exceed negotiated rates if agreement is funded with federal flow through funds.

OFF-CAMPUS DEFINITION

For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

PROJECT CLASSIFICATION DEFINITIONS

Instruction means the teaching and training activities of an institution. *Except for training in research techniques*, this term includes all teaching and training activities, whether they are offered for credits toward a degree or certificate or on a non-credit basis, and whether they are offered through regular academic departments or separate divisions.

Research means all research and development activities of an institution that are separately budgeted and accounted for. This includes all research and development activities that are sponsored by Federal and non-Federal agencies and organizations. *Research* is defined as a *systematic* study directed toward fuller scientific knowledge and understanding gained of the subject studied. *Development* is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems or methods, including design and development of prototypes and processes. Research also includes activities involving the training of individuals in research techniques (commonly called research training) where such activities utilize the same facilities as other research and development activities and where such activities are not included under the instruction function.

Other Sponsored Activity includes programs and projects financed by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. Examples of such programs and projects are health service projects, and community service programs.

FEDERAL BASE - Modified total direct costs (MTDC). MTDC is defined as total direct costs excluding:

- Equipment;
- Alterations and renovations;
- Portion of each subcontract in excess of \$25,000;
- Rental of space and maintenance costs of rental space;
- Tuition

NON-FEDERAL BASE - Total Direct Costs (TDC) excluding tuition

****Note**** - If cost sharing is required on a project, the difference between the negotiated indirect costs rate and the applied indirect costs rate may be used to satisfy cost sharing requirements if allowed by the sponsoring agency

Please contact your contract or grant administrator at 644-5260 if you have questions regarding the interpretation of the rates or need assistance in the preparation of your proposal.

COPY

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1591961248A3

DATE: May 15, 2007

INSTITUTION:
Florida State University
Office -Vice President for Research
109 Westcott Building
Tallahassee

FL 32306-1330

FILING REF.: The preceding
Agreement was dated
February 12, 2007

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: FACILITIES AND ADMINISTRATIVE COST RATES*

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
PRED.	07/01/06	06/30/10	47.0	On-Campus	Org. Research (1)
PRED.	07/01/06	06/30/10	26.0	Off-Campus	Org. Research (1)
PRED.	07/01/06	06/30/10	54.5	On-Campus	Instruction (1)
PRED.	07/01/06	06/30/10	26.0	Off-Campus	Instruction (1)
PRED.	07/01/06	06/30/10	32.5	On-Campus	Other Spons. Act (1)
PRED.	07/01/06	06/30/10	22.0	Off-Campus	Other Spons. Act (1)
PRED.	07/01/06	06/30/10	67.0	On-Campus	NHMFL (2)
PRED.	07/01/06	06/30/10	24.5	Off-Campus	NHMFL (2)
PROV.	07/01/10 UNTIL AMENDED		Use same rates and conditions as those cited for fiscal year ending June 30, 2010.		

(1) These rates apply to activities other than those conducted at NHMFL.

(2) These rates apply to all functions (Organized Research, Instruction, and Other Sponsored Activity) conducted at NHMFL (National High Magnetic Field Laboratory).

*BASE:

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

INSTITUTION:
Florida State University

AGREEMENT DATE: May 15, 2007

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

Fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

TREATMENT OF PAID ABSENCES:

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the costs of these paid absences.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

Fringe Benefits include: FICA, Retirement, Life Insurance, Workers' Compensation, Unemployment Insurance and Health Insurance.

Equipment means an article of nonexpendable tangible personal property having a useful life of more than one year, and an acquisition cost of \$1,000 or more per unit.