

To: Stanford Research Community

From: Thomas Wong  
Director, Cost and Management Analysis

Date: May 27, 2015

Subject: FY2015 and FY2016 Final Facilities & Administrative Rates

Stanford and the Office of Naval Research (ONR) have agreed on final Facilities and Administrative (F&A, or Indirect Cost) rates for University fiscal years 2015 and 2016. These rates replace the provisional FY2015 rates that were established August 19, 2014. The final rate agreement is dated May 20, 2015.

The final negotiated rates are as follows, as well as the FY2015 provisional rates for comparison:

<b>Type of Activity</b>	<b>Provisional FY2015 Retroactively Replaced by Final FY2015 Rate</b>	<b>Final FY2015 9/1/2014- 8/31/2015</b>	<b>Final FY2016 9/1/2015- 8/31/2016</b>
<b>On-Campus Organized Research</b>	60.50%	<b>59.00%</b>	<b>58.00%</b>
<b>Off-Campus Organized Research</b>	30.40%	<b>30.00%</b>	<b>30.00%</b>
<b>On-Campus Sponsored Instruction</b>	55.35%	<b>55.35%</b>	<b>56.00%</b>
<b>Off-Campus Sponsored Instruction</b>	30.15%	<b>30.15%</b>	<b>30.30%</b>
<b>On-Campus Other Sponsored Activities</b>	38.47%	<b>38.47%</b>	<b>38.00%</b>
<b>Off-Campus Other Sponsored Activities</b>	28.42%	<b>28.42%</b>	<b>28.50%</b>
<b>Animal Care Indirect Cost Rate</b>	77.9%*	<b>80.0%*</b>	<b>83.0%*</b>

\*The Veterinary Service Center waived the FY2015 Provisional Animal Care rate from 77.9% to 75.9% and will continue to waive the final FY2015 and FY2016 rates to 75.9%.

## **Application of Rates**

### **New & Competing Proposals**

Effective May 20, 2015 all new proposals and competitive segments shall use the final FY2015 and FY2016 F&A rates.

### **Awards with Performance Start Dates:**

1. on or after August 19, 2014 through May 19, 2015:

These awards are subject to the FY2014 rates for the remainder of FY2014 and to the final FY2015 rates beginning September 1, 2014. The FY2015 rates will remain in effect (“fixed”) for the life of the award or until the next competitive submission.

2. on or after May 20, 2015:

These awards are subject to the final FY2015 rates for the remainder of FY2015 and to the final FY2016 rates beginning September 1, 2015. The FY2016 rates will remain in effect (“fixed”) for the life of the award or until the next competitive submission.

### **F&A Adjustments on Existing Awards**

An automatic adjustment will be made in the financial system to update the F&A from the provisional FY2015 rates to the final FY2015 rates. The adjustments will appear in the month of May 2015.

### **Rebudgeting the Difference Between Provisional and Final FY2015 F&A Rates**

Many sponsors allow rebudgeting between direct costs and F&A. For those sponsored awards that permit rebudgeting, and where there is a decrease in the F&A rate the funds may be rebudgeted to direct costs.

Please forward this message to others in your department or lab who might not have received it. If you have any questions about the application of these rates, please contact your representative in the Office of Sponsored Research or the Research Management Group.

If you have any questions regarding the rates themselves please contact Thomas Wong at 723-9020 ([thomas.wong@stanford.edu](mailto:thomas.wong@stanford.edu)).