

Date: February 14, 2025

To: All Research Administrators, PI's, Dept Accountants, and other Research Support Staff

From: Office of Research Accounting and Costing Standards (ORACS)

Re: FY2024 through FY2028 Indirect (F&A) Rate Agreement

Last week a new Indirect Rate agreement was negotiated with the Department of Health and Human Services, Cost Accounting Services (DHHS CAS). There are several nuances involved with this agreement, so I have broken down the agreement by years and scenarios under MOST situations.

The rate table will be released in the near future but the below indicates the changes to ORG (Organized Research), ON-Campus. All other rates remain consistent with the prior agreement. These rates are to be used immediately on ALL proposals, ORPA will assist with this process.

7/1/23 to 6/30/24	54%
7/1/24 to 6/30/27	51%
7/1/27 to 6/30/28	51.5%
7/1/28 to Amendment	51.5% (this is Provisional, use it until next agreement)

It is important to note, this Rate Agreement ONLY applies to Awards signed ON or AFTER July 1, 2023 (Day 1 of FY2024). ALL Awards signed prior to that date continue the application of the prior rate agreement until the Award, or the Competitive Segment, ends. This is evidenced where the award line is assigned to the 2014 rate table, as an example: "2014 07/01 Standard Rate MTDC (07/01/2014)". Others include Non Standard and TDC, On/Off/Off-Campus Modified, etc.

The following applies to NEW awards signed ON or AFTER July 1, 2023 and will impact Awards as follows:

The Indirect Rate for FY2024 will NOT change in URFinancials/Workday. Therefore, all financial data will remain static for FY2024.

If the Award is active as of today (this is slightly flexible as closeouts are in process for several Awards), the NEW Indirect Rate of 51% will be applied to all transactions with a Budget Date ON or AFTER July 1, 2024. We expect to execute this change by the end of next week. This will reduce indirect spend on all Awards received ON or AFTER July 1, 2023 for FY25, that are still active. Please be patient while we work these changes through the system.

If the Award is NOT active, there will be NO adjustments in URFinancials/Workday.

Example 1 -

Award Agreement Signed Date June 30, 2023 (or before)

Indirects (If ON Campus and ORG at Full Rate) No Change (54% rate continues until term)

Example 2 –

Award Agreement Signed Date July 1, 2023 (or after)

Indirects (If ON Campus and ORG at Full Rate) Trans w Budget Date FY2024 – NO Change

Trans w Budget Date FY2025 – Change to 51%

Example 3 –

Award Agreement Signed Date July 1, 2023 (or after)

Award Termed and Final Report Filed Before February 6, 2025 (approx.)

Indirects (If ON Campus and ORG at Full Rate) No Change (54% rate stays as is)

The above examples cover any scenario we can think of, but in the event we missed something, or if you have a question or concern please send the following to the ORACS NOA Mailbox;

Award Number

Award Executed Date

Award End Date

Concern or Question