To: SoM Research Community
From: Kathleen Thompson, Director, Research Management Group
Date: October 1, 2018
Subject: FY19 Provisional Facilities & Administrative Rates

On September 13, 2018, the Stanford University and the Office of Naval Research (ONR) signed a provisional agreement for Facilities and Administrative (Indirect Cost) rates for University fiscal year 2019. The Provisional rates will be replaced with final rates once the final rate agreements are signed.

Below is additional information on the application of the provisional rates.

ALL PROPOSALS:

Competitive proposals submitted after September 13, 2018 must apply the FY19 Provisional rates.

AWARDS:

NIH Awards
NIH policy states that new F&A rates will not be provided unless the start date of the award is more than 1-calendar month after the date of the new rate agreement.

Competitive Awards with start dates after September 1 are awarded by NIH at the FY19 rate for the entire grant period. NIH allows the rebudgeting of the excess F&A costs to direct costs.

NOTE: If a new or competitive renewal award is released between September 1 and October 12, using the FY18 rate your RPM will rebudget the excess F&A to direct costs. If a new or competitive renewal is released after October 13, using the FY18 rate, your RPM will restrict the excess F&A and contact NIH to request permission to rebudget the excess into direct costs.

Other Federal Grant Awards

Competitive Awards with start dates on or after September 1 will be charged in Oracle at the FY19 provisional rates.

NOTE: If a new or competitive renewal award is received at the FY18 rate, your RPM will restrict the excess IDCs and contact the sponsor to request permission to rebudget excess IDCs to direct costs.

Non-Federal Awards that provide full F&A rates

Competitive Awards with start dates on or after September 1 will be set up in Oracle at the FY19 rates. Contact the Industrial Contract Office for industry sponsored awards and your RPM for all other sponsors for a review of the terms of the award to determine if rebudgeting the excess F&A costs to direct costs is allowable. This may require prior approval from the sponsor.
NOTE: If a new or competitive renewal award is received at the FY18 rate, your RPM will restrict the excess IDCs and contact the sponsor to request permission to rebudget excess IDCs to direct costs.

CIRM

*Competitive Awards with start dates on or after September 1* will be set up in Oracle at the FY19 provisional rates. The excess F&A costs will be restricted. CIRM does not allow rebudgeting.

NOTE: If a new or competitive renewal award is received at the FY18 rate, your RPM will contact the sponsor to request a revised notice of award.

**FINAL RATE AGREEMENT:**

Once the final rate agreement is signed, OSR will apply the final negotiated rates to expenditures incurred from September 1, 2018 and the appropriate adjustments will be made in the accounting system. Existing awards or competitive segments with period of performance start dates prior to September 1, 2018, will not be affected by these rate changes unless (or until) a competitive segment is awarded.