

Appendix B-1

Request for Reduction/Waiver of Indirect Cost (F&A) Rate

This form must be completed prior to seeking budget approval

University Policy (<http://policy.illinoisstate.edu/fiscal/7-6-3.shtml>) requires that the federally-negotiated Facilities and Administration (F&A) rate be applied to all proposals for external funding. For agencies that limit the F&A rate, the maximum rate allowed by the agency must be charged. This reduced rate must be documented on the organization's website (or other official documentation) and be applied equally to all applicants.

Requests for voluntary reductions/waivers of the F&A rate require approval by the Department Chair/School Director, the Dean, and the Associate Vice President of Research.

Waivers are not required if the total grant is less than \$4,000 and the F&A rate is not stated by the organization.

PI: _____ Agency/Sponsor: _____

Dept/School: _____

_____ % F&A Rate Requested by Principal Investigator. Provide justification below.

Signature Approvals

Chair/Director _____ Date _____

Dean _____ Date _____

AVP for Research _____ Date _____

The federal negotiated rate is:

45% for on-campus programs from 7/1/13 through 6/30/17; 26% for off-campus programs through 6/30/17. This rate is to be applied to the total direct costs of the sponsored program including all salaries and wages, fringe benefits, materials, supplies, services, travel. Subgrants and subcontracts are subject to the first \$25,000 of each subcontract or subgrants (regardless of the period of time covered). The rate is not applied to equipment*, capital expenditure, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of subgrants and subcontracts in excess of \$25,000. (*Equipment is further defined as an article of nonexpendable, tangible personal property, having a useful life more than one year and acquisition costs of \$5,000 or more per unit.)