



MEMORANDUM

From: Claudia Neuhauser, Interim VC/VP for Research *Claudia Neuhauser*
To: Deans and Associate Deans for Research
CC: Diane Z. Chase, Senior SVC/SVP for Academic Affairs and Provost
Raymond Bartlett, SVC/SVP for Administration and Finance
Cris Milligan, Assistant VP for Research Administration
Date: August 15, 2023
Re: Implementation of new IDC rate plan

The University has finalized our Negotiated Indirect Cost Rate Agreement (NICRA) with the Department of Health and Human Services (DHHS), for the period of 09/01/2023 – 08/31/2027. Below are indirect cost rates to be used in proposals submitted by the University:

On-Campus Organized Research: The current rate of **55%** will remain through **8/31/2024 (FY24)**. A new rate of **57.0%** will be effective **09/01/2024 (FY25)** and continue through **8/31/2027 (FY27)**. This rate applies to all research and development proposals, including those being submitted to for-profit entities. Prior and Current rates, by comparison, are the following:

- PRED. 09/01/2020 - 08/31/2023 55.0%
- PRED. 09/01/2023 - 08/31/2024 55.0%
- PRED. 09/01/2024 - 08/31/2027 57.0%

Other Sponsored Activities: A new rate of **35.0%** will be effective **9/1/2023 – 8/31/2024 (FY24)**. The rate will increase to **37%** effective **9/1/2024 (FY25)** and continue through **8/31/2027 (FY27)**. These new rates should be used for projects that **do not** fall under the Organized Research category and should be calculated on modified total direct costs (MTDC). Prior and Current rates, by comparison, are the following:

- PRED. 09/01/2020 - 08/31/2023 33.0%
- PRED. 09/01/2023 - 08/31/2024 35.0%
- PRED. 09/01/2024 - 08/31/2027 37.0%

Off-Campus Research (All Programs): The off-campus research rate remains 26% and should be applied to projects a) Performed in facilities not owned by the institution; or b) Where rent is directly allocated/charged to the project(s). 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. This rate should be applied to the MTDC for the project.

If you should have any questions about these changes, please contact the Office of Contracts and Grants at doraward@central.uh.edu.