



**MARQUETTE**  
UNIVERSITY  
Office of the Comptroller

**Date:** June 6, 2007  
**To:** Campus Distribution  
**Subject:** New Facilities and Administrative ("Indirect") Cost Rate

Finance has completed negotiations with U.S. department of Health and Human Services (DHHS) for the University's Facilities and Administrative ("Indirect") Cost Rate.

For on-campus organized research and instruction the new rate is 49% of Modified Total Direct Costs (MTDC), and for off-campus projects, the rate remains 24% of MTDC.

DHHS finalized the new rate agreement on May 31, 2007 and made the new rate effective from July 1, 2007 through June 30, 2010.

The University will apply the new rate to project proposals submitted to ORSP for approval and endorsement on or after July 1, 2007.

- Existing awards are NOT affected by the rate change: an existing award will use the originally awarded rate through the end of the award period.
- Non-competing continuations are NOT affected by the rate change: a non-competing continuation will continue to use the rate in effect at the time the initial application was submitted.
- Pending proposals are NOT affected by the rate change: where a sponsor makes an award based on a proposal submitted with the old rate, the university will use the old rate through the end of the sponsor's award period.
- New, revised, and competing continuation applications submitted after July 1<sup>st</sup> will use the new rate.

An explanation of the Facilities and Administrative Cost Rate and a copy of the new rate agreement can be found on ORSP website (<http://www.marquette.edu/orsp/announcements/>).

William R. Wiener, Ph.D.  
Vice Provost for Research and Dean of the Graduate School

Dennis J. Butler  
Comptroller