



**CALIFORNIA INSTITUTE OF TECHNOLOGY**  
Pasadena, California 91125 USA

To: Faculty and Research Administrators

From: Edward Stolper, Provost *EMS*  
Margo Steurbaut, Vice President of Administration and Chief Financial Officer *ms*

Date: October 10, 2016

Re: Fiscal Year 2017 Provisional F&A Rate and Other Rates

The table below lists various important rates for the 2017 fiscal year (beginning October 1, 2016) and compares them to those for the previous fiscal year, 2016. The Facilities and Administrative Rates (“F&A”) and Staff Benefits Rate for FY2017 have been provisionally negotiated with the Office of Naval Research; final F&A and Staff Benefits rates have been negotiated for FY2016 at the same level as the FY2016 provisional rates. The table also provides information on the paid leave rate, graduate tuition remission rates, and the overhead rates on non-federal awards.

	<b>FY2017</b>	<b>FY2016</b>
On-campus F&A rate (provisional)	65.00%	64.3%
Off-campus F&A rate (provisional)	26.0%	26.0%
Staff benefit rate (provisional)	28.0%	29.0%
Paid leave rate	18.0%	17.5%
GRA tuition remission rate (all federal funds, and funds that pay OH of 15% or higher)	66.0%	66.0%
GRA tuition remission rate (all non-federal funds that pay less than 15% OH)	66.0%-95.3%	66.0%-95.3%
Minimum overhead on endowment income	15.0%	15.0%
Minimum overhead on non-federal funds	15.0%	15.0%

**Implementation of New Rates**

F&A Rate for Proposals: The FY2017 65.0% provisional F&A rate should be used for all new and renewal proposals submitted with a start date of October 1, 2016 or later.

F&A Rate for Ongoing Awards in Effect Prior to October 1, 2016: Grant and contract awards in effect prior to October 1, 2016 will continue to be assessed F&A using their existing F&A rates until the next funding cycle or request for additional funding is proposed and received. For most federal awards, the F&A rate that is in effect at the beginning of an awarded, multi-year project period remains unchanged until the beginning of the next awarded project period.

## Fiscal Year 2017 Provisional F&A Rate and Other Rates

**F&A Rate for New and Renewal Awards:** New and renewal awards will take the applicable F&A rate based on the begin date of the award rather than the submittal date of the proposal or budget. Awards with begin dates on or after October 1, 2016, regardless of the date received, will take the provisional 65.0% rate. Awards with begin dates on or after October 1, 2016 that have already been processed at the FY2016 F&A rates will be adjusted to the FY2017 F&A rates. Awards with start dates prior to October 1, 2016, regardless of the date received, will be assessed using the applicable F&A rate. If the final approved rates are different than the provisionally-approved rates, already incurred charges may be adjusted, as appropriate.

**Staff Benefit Rate:** The Staff Benefit Rate has been provisionally approved at 28.0% and is effective October 1, 2016. Fixed rates have not been negotiated with ONR, so if the final rate is different, already incurred charges will be adjusted, as appropriate.

**Paid Leave Rate:** The Paid Leave Rate for FY2017 is 18.0% and is effective October 1, 2016.

**Graduate Tuition Remission Rates:** The Graduate Tuition Remission Rate will remain at 66.0% for federal awards and non-federal awards that provide at least 15% overhead. The Graduate Tuition Remission Rate will remain at 95.3% for non-federal awards that pay 0% overhead. The tuition remission rate for non-federal awards that pay between 0% and 15% overhead will be prorated.

**Overhead on non-federal awards:** The minimum overhead (15% of Total Costs) applies to all new non-federal awards. Non-federal awards that provide \$500,000 or more of spendable income per year may be subject to up to 30% overhead.

### **Use of the Off-Campus F&A Rate**

The Off-Campus F&A Rate is used when a Caltech project is carried out at a location that is not owned by Caltech and the associated costs do not utilize campus resources. A proposal that will utilize the off-campus rate should clearly describe the project activities and costs that qualify for the off-campus rate.

Please contact David Mayo (david.mayo@caltech.edu; x6219) in the Office of Sponsored Research if you have questions regarding the applicability of these rates to federal awards. For questions about the overhead on non-federal awards, please contact the individual within Gift & Endowment or Sponsored Research assigned to your division.