

UNIVERSITY OF ILLINOIS  
AT CHICAGO

Office of Research Services (MC 672)  
Office of the Vice Chancellor for Research  
304 Administrative Office Building  
1737 West Polk Street  
Chicago, Illinois 60612-7227

June 27, 2007

To Whom It May Concern:

The University of Illinois at Chicago (UIC) has negotiated a Facilities and Administrative (F&A) rate agreement with the Office of Naval Research, effective July 1, 2007.

The negotiated rates were calculated using a Modified Total Direct Cost (MTDC) base that includes equipment with an acquisition cost of less than \$5,000. Equipment with an acquisition cost of \$5,000 or more was excluded from the MTDC base.

Notwithstanding the negotiated rate agreement, UIC has elected, at this time, not to assess F&A costs on equipment items with an acquisition cost of \$500 or more, for awards based on proposals submitted for external funding. This use of a lower threshold is only for purposes of F&A costs assessment. UIC will continue to recognize the \$5,000 threshold for equipment accountability purposes on federally sponsored agreements.

If you have any questions, please contact Mr. Luis Vargas, Executive Director, Office of Research Services, at (312) 996-9406 or [awards@uic.edu](mailto:awards@uic.edu).

Rates are outlined below:

	<u>On Campus</u>	<u>Off-Campus</u>
Organized Research	57.00%	26.00%
Instruction	40.40%	26.00%
Other Sponsored Activities	37.10%	26.00%

Sincerely,



Eric A. Gislason, Ph.D.  
Vice Chancellor for Research and  
Authorized Institutional Official

**UIC**