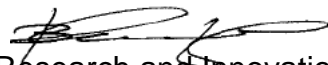




May 24, 2019

MEMORANDUM

TO: Vice Presidents and Chancellors

FROM: Vassilis L. Syrmos 
Vice President for Research and Innovation

SUBJECT: Implementation of New FY2018 – FY2023 F&A Rate Agreement

The University of Hawai'i (UH) has received the new FY2018 – FY2023 F&A rate agreement, from the U.S. Department of Health and Human Services (DHHS), which covers the period from July 1, 2017 to June 30, 2023. The rates are as follows:

Rate	Period that costs will be incurred				
	7/1/17 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21	7/1/21 – 6/30/22	7/1/22 - 6/30/23
Research	41.5%	43.0%	44.5%	45.0%	45.5%
Research, off-campus	24.0%	26.0%	26.0%	26.0%	26.0%
Kaka'ako research	54.0%	55.0%	55.5%	56.0%	56.5%
Kaka'ako, off-campus	26.0%	26.0%	26.0%	26.0%	26.0%
ARL research	6.6%	8.0%	8.0%	8.0%	8.0%
Instruction	40.0%	45.0%	45.0%	45.0%	45.0%
Instruction, off-campus	26.0%	26.0%	26.0%	26.0%	26.0%
Other sponsored activities (OSA)	32.0%	36.5%	36.5%	36.5%	36.5%
OSA, off-campus	26.0%	26.0%	26.0%	26.0%	26.0%
Intergovernmental personnel agreements (IPA)	4.3%	1.8%	1.8%	1.8%	1.8%
SOEST ship operations [^]	11.9%	11.9%	11.9%	11.9%	11.9%

[^] 9.0% SOEST F&A rate + 2.9% RCUH service order F&A rate

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Under the federal regulations, funding agencies should be making awards using the F&A rates in effect at the time the award is made. However, this does not always happen in practice due to timing issues or funding constraints.

To implement the new F&A rates, the following guidelines have been established:

1. For new proposals, unless there is a valid funding agency F&A limitation or prohibition, the new negotiated rates shall be used in proposals from July 1, 2019.
2. For new awards on proposals submitted prior to July 1, 2019 that were awarded by the funding agency using the old negotiated rates – the University has established a blanket F&A waiver process, and will accept the old negotiated rates on new awards until June 30, 2020. After June 30, 2020, an approved F&A waiver to use the old negotiated rates will be required on such awards.
3. For new awards made by the funding agency using the new negotiated rates, UH will accept the award as is.

Please forward this information to appropriate personnel within your offices/campuses.

For any questions regarding the guidelines, please contact Mr. Kevin Hanaoka, Interim Cost Studies Manager, Office of Research Services, via email at hanaokak@hawaii.edu or via phone at (808) 956-7874.

c: Fiscal Administrators and Administrative Officers