


**MEMORANDUM**

**To:** Deans, RII Center & Institute Directors

**From:** Elizabeth “Betsy” Cantwell, PhD, Senior Vice President for Research & Innovation 

**CC:** Sangita Pawar, John O’Neil, Anh Le, Steve Harsy, Paul Sandoval, Lori Schultz

**Date:** June 16, 2020

**Re:** Facilities & Administrative Cost Rate for Clinical Trials Sponsored by Non-Federal Sponsors

In the memo dated May 19, 2020 titled **Facilities & Administrative Cost Rate for Industry and Foreign Governments** an administrative fee of a minimum of 9% MTDC in addition to the federal F&A rate on all industry-sponsored research and research sponsored by foreign governments as of July 1, 2020 was announced.

The F&A rate for non-federally sponsored clinical trials has been 25% for the last decade. In order to maximize recovery of the true costs of clinical trials where feasible, as of July 1, 2020, the **University will apply a F&A rate of 30% on all non-federally sponsored clinical trials**. All federally funded clinical trials will continue at the full federal negotiated F&A rate.

- Any proposal submitted on July 1 or later must have the new rate
- As a reminder, sponsored activity budgets submitted to sponsors that have not been approved by SPCS through the UAR proposal process should be considered provisional, and are non-binding to the university
- All stipulations that meet the criteria specified on the Research Gateway at <https://rgw.arizona.edu/administration/build-budget/F-A-Costs> will be accepted.

The updated Standard F&A Rate Table follows.

### Standard F&A Rate Table

Activity	Description	Rate <sup>1</sup>
Research (On-campus)	Activity intended to result in the creation, organization, and/or application of knowledge	53.5%
Commercial/For Profit, Foreign Government Research (On-campus)	Activity intended to result in the creation, organization, and/or application of knowledge	53.5% + 9% = 62.5%
Research (Off-campus)	Research that occurs off-campus <sup>2</sup>	26%
Instruction (On-campus)	Intended to elicit education change in a learner or group of learners	50%
Instruction (Off-campus)	Instruction that occurs off-campus <sup>2</sup>	26%
Other Sponsored Activity (On-campus)	Activity that responds to a community need or solves a public problem	47%
Other Sponsored Activity (Off-campus)	Other Sponsored Activity that occurs off-campus <sup>2</sup>	26%
Clinical Trial	Protocol-driven drug and device testing involving human subjects, generally funded by for-profit sponsors	30%
Student Experiential Learning	Projects conducted by students not employed by UA, as part of a course requirement, not including graduate research credits	25%
Consortia Memberships	Fees paid by a sponsor to become a member of a UA consortium	10%
Interpersonnel Agreements	Placement of UA staff at another institution which has responsibility for daily supervision of the staff member	15%
Arizona State Agencies	Projects sponsored by Arizona state agencies where the agency indicates that this is the maximum rate allowed	10%

<sup>1</sup>Rates are MTDC for Research, Instruction, and Other Sponsored Activity. All other rates are TDC.

<sup>2</sup>For the definition of what constitutes off campus activity, please see the [Research Gateway](#).