

RUSH UNIVERSITY

**Office of the Associate Vice President for Research****Office of Sponsored Research Projects (OSRP)****DHHS Approved Facilities and Administration (F & A) Rate (Formerly Indirect Costs) and Calculation of Modified Total Direct Costs (MTDC):**

Federally Negotiated F & A Rate Effective 7/29/03 is 48% of MTDC

Calculation of MTDC:

Per the DHHS Hospital Rate Agreement dated 7/29/03, Modified Total Direct Costs (MTDC), consists of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract).

Modified total direct costs shall exclude capital equipment, other capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

Note that a federal grant or contract may include several subgrants or subcontracts. The \$25,000 exclusion would apply to each recipient institution which has a subgrant(s) or subcontract(s).

At a Glance MTDC Calculation:

	Total Direct Costs
Less:	Capital Equipment and Capital Expenditures, and Patient Care Costs, and Tuition Remission, scholarships and fellowships, and Rental Costs of Off-Site Facilities, and Portion of subgrants and subcontracts in excess of \$25,000
Equals:	MTDC