

Calculating the Impact of the UG Equipment Threshold Change on Indirect Cost Recovery

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X Housekeeping Items

- Questions: use Chat
- PowerPoint Handout / Recording
- Evaluation / CPE Credits



Agenda

- **About Maximus**
- **Introduction**
 - What is the UG Equipment Threshold Increase?
 - Who does this apply to?
 - Items to consider and Unique Challenges
- **What is needed to determine the impact**
- **Methodology**
- **Reviewing the impact in **
- **Maximus assistance**

X Maximus Higher Education Practice

Organization and structure

- Established in 1985
- Headquartered in Northbrook, IL, with multiple satellite offices across the country

Consulting services

- F&A proposal assistance, Space Survey, Negotiations
- Fringe benefit rate proposals
- Reviews of service/recharge centers

- Uniform Guidance Compliance Diagnostic
- Pre- and Post-Award Assistance
- Equipment and Fixed Asset Inventories

Software Solutions

- Comprehensive Rate Information System (CRIS[®]) **(used by 90 of top 100 universities)**
- WebSpace[®] — Space Inventory and Survey System
- Effort Reporting System[®]

40+

Years of Experience

30

Full-time consulting and IT staff

250+

Colleges and universities served



Introduction

X What is the UG Equipment Threshold Increase?

The new OMB Guidance, 2CFR 200 effective October 1, 2024 updated the definition of equipment:

- Equipment is defined as tangible personal property (equipment), including information technology systems, that have a useful life of more than one year, and a per asset cost which equals, or exceeds, *the Capitalization Threshold established by the Institution for Financial Statement purposes, ~~or \$5,000~~ \$10,000, and greater.*
- The policy change applies to new, competing renewals, and non-competing continuations issued on or after October 1, 2024.
 - Must be incorporated into the Modified Total Direct Cost (MTDC) definition in the Institution's Rate Agreement to be applied.

X Who Does this Apply to?

- Institutions can implement the equipment threshold increase in their next negotiated F&A Rate Agreement. However, implementation is **NOT required.**
- If an Institution decides to implement the threshold increase, calculating the impact on the rate applies to Institutions that are:
 - submitting their next rate F&A rate proposal,
 - submitting a rate extension
- Still undecided, calculate the impact to help decide if implementing is right for your institution.

X Items to Consider and Unique Challenges

- It is important that the clients perform an asset threshold analysis of the various threshold increases, either \$5,000 to \$7,500 and/or \$7,500 to \$10,000, or a single move from \$5,000 to \$10,000.
 - The write off those assets (asset listing of the assets at these different thresholds), are subject to audit review for existence and completeness, of the assets to be written off, as well as the assets being perpetuated going forward at the new threshold.

- Review and update your Institution's Policies
 - Asset Management Policies and Procedures should be updated in accordance with the new capitalization threshold if the institution is implementing the change in threshold.
 - It is vital to review the current Capitalization threshold for all assets to be included in your Institutions inventory records. This policy should not only represent "Capitalized Assets", but with the new revisions, "Supplies."

- State Institutions of Higher Education may have a "State" Capitalization Threshold" of \$5,000 and need to dialog with the State's Controllers office to discuss the institutions potential threshold increase, as the State may continue at the \$5,000 threshold.

- If the institution has an affiliated Medical Center/Hospital, they need to have discussion with the financial representatives at the Medical Center/Hospital, as the Medicare/Medicare reporting, remains at \$5,000.

X Items to Consider and Unique Challenges

- **Asset Inventory still required for equipment purchased on sponsored awards negotiated under prior year rate agreements (old threshold).**
 - Federal government will still want to know where their equipment is located.
- **Financial tracking is extremely important. The prior year rate agreements are in effect for the life of an award. Therefore, the lower capitalization threshold still applies.**
 - F&A cannot be charged on new equipment purchased on the old award.
 - Recommend implementing new GL/account code/object code/spend category(s) to track within your Institutions financial system.

X Items to Consider and Unique Challenges

- To amortize or not to amortize?
 - HHS-CAS allows Institutions to amortize the Net Book Value over the life of their next negotiated rate agreement.
 - Without amortizing the Net Book Value, your rate would decrease.

$$\text{F\&A Rate} = \frac{\text{F\&A Costs}}{\text{Modified Total Direct Costs}}$$

- Our understanding is that the Institutions are NOT required to "write off" the equipment in their financials.
 - This is a one-time opportunity to preserve the calculated rate .



What data is needed to determine the impact?

X Data Needed

I: CRIS data:

- Equipment Review (ER)
- Adjustment (AJ)
- Adjustment Group (AG)
- Rate Schedule (389D)

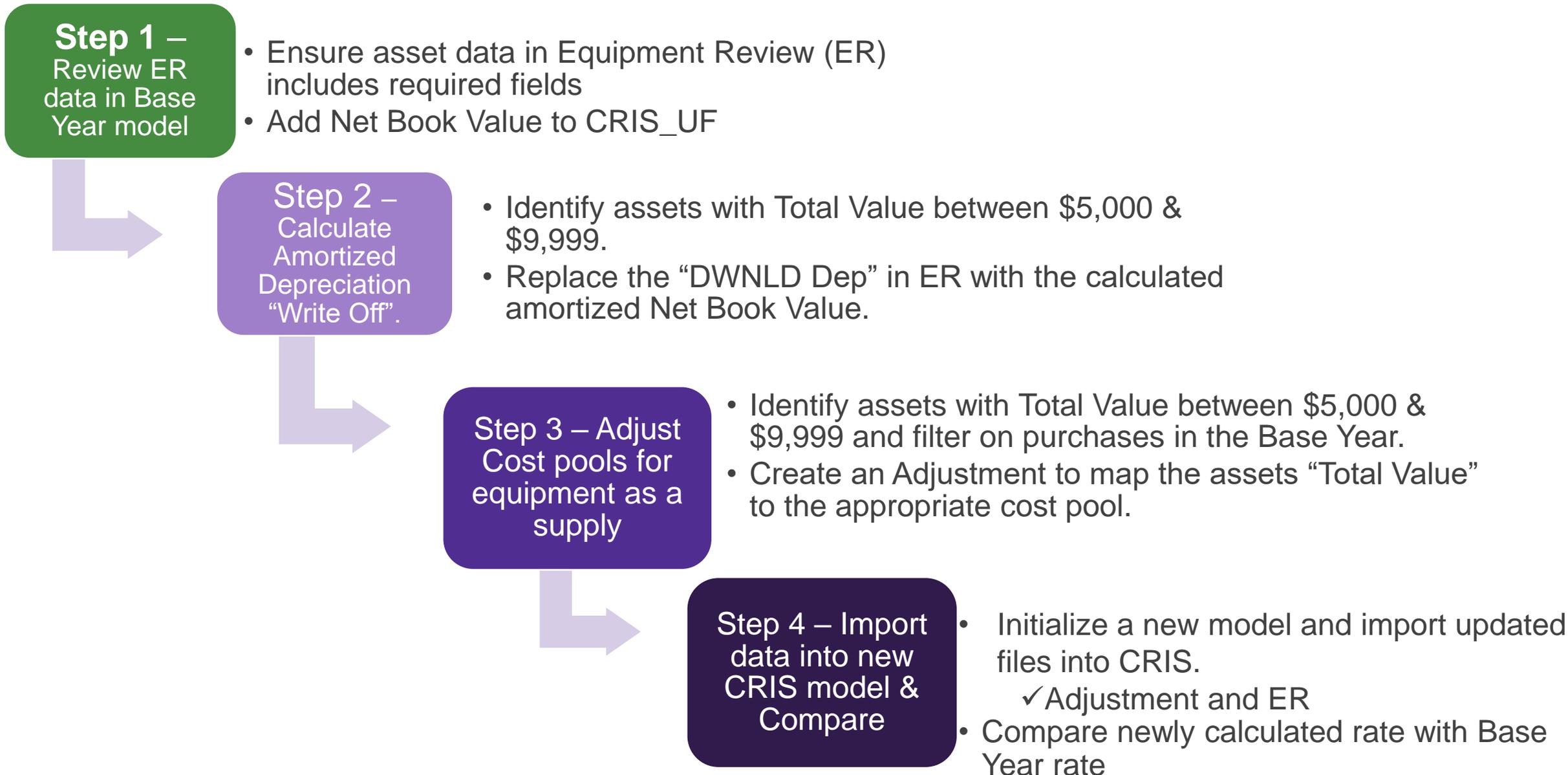
II. Institutional Data:

- Net Book Value for asset
- AccountID and/or Department ID used to purchase asset



Methodology

Methodology



X Step 1 – Review ER Data in Base Year Model

Review the Equipment Review (ER) file to ensure the required data fields are captured.

- AccountID – Needed to map the purchase cost of the asset to the appropriate cost pool.
 - If accounts are unavailable, Department can be used to derive an AccountID.

Equipment Review (er)

	Eqp Id	Orig Bldg	Orig Dept	FY Acq	Tot Value	Fed Value	Priv Value	Dwnld Dep	Excl Cat	Account	Room
1	05A90001	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2024	34,762	0	0	2,317		240031	00HALL
2	A10499	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2016	2,352	0	0	157		240010	00013
3	A10500	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2016	2,352	0	0	157		240010	00013
4	A10501	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2016	2,362	0	0	157		240010	00013
5	A10502	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2016	2,352	0	0	157		240010	00013
6	A10503	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2016	2,352	0	0	157		240010	00013
7	A00786	0001 - GRAY HALL	10100 - UNIVERSITY COUNSEL	2017	7,892	0	0	526		240035	00206
8	05A90000	0001 - GRAY HALL	10000 - PRESIDENT'S OFFICE	2024	71,030	0	0	4,735		240031	00SHUMKR
9	A02707	0001 - GRAY HALL	12000 - VP-ADMINISTRAT	2017	3,178	0	0	212		240030	00108C

X Step 1 – Review ER Data in Base Year Model

Review the Equipment Review (ER) file to ensure the required data fields are captured.

- Net Book Value for each asset is critical to determine the amount of depreciation included in the “write-off.”
 - **CRIS** does not require the use of Net Book Value and may not be part of the ER data in the Base Year.
 - ***Export ER and add the Net Book Value in a CRIS UF.***
 - Work with the Fixed Asset team to obtain this data.

													Net Book Value					
Eqpld	OrigBldgld	Roomld	OrigDeptld	Accountld	Classld	Typeld	ExclCatld	FYAcq	TotValue	FedValue	PrivValue	DwnldDep	CRIS_UF1	LongName	ShortName	Note1		
05A00875	0100	00GARAGE	40000	251010	100	100	O	2017	3,600	0	0	240	1,680					
05A02393	0106	00WHSE	13200	243003	100	100		2012	18,974	0	0	1,265	2,530					
05A02394	0106	00WHSE	13200	243003	100	100		2010	17,442	0	0	1,163	1,163					
05A11383	080A	00ZONE	40000	255000	100	100		2018	25,376	0	0	1,692	13,534					
05A11384	080A	00PAINT	40000	255000	100	100		2018	23,866	0	0	1,591	12,729					
05A11423	080A	00CONSTR	40000	251010	100	100	O	2018	23,866	0	0	1,591	12,729					
05A11424	080A	00HVAC	40000	251010	100	100	O	2018	23,866	0	0	1,591	12,729					
05A11949	0100	00GARAGE	40000	251010	100	100	O	2016	4,360	0	0	291	1,744					
05A16012	080A	00GARAGE	40000	222111	100	100		2014	24,430	0	0	1,629	8,143					
05A16919	055B	00HSC	41200	251120	100	100	O	2019	21,300	0	0	1,420	12,780					
05A17107	059R	00PARKNG	67500	208050	100	100		2018	27,140	0	0	1,809	14,475					
05A18102	072A	00GARAGE	50100	532799	100	100		2019	2,000	0	0	133	1,200					
05A19431	055B	00GARAGE	41200	251150	100	100	O	2010	13,600	0	0	907	907					
05A21945	072A	00GARAGE	50100	533363	100	100		2019	6,000	0	0	400	3,600					
05A22434	0100	00GARAGE	44000	243042	100	100		2015	82,026	0	0	5,463	32,810					
05A22551	072A	00GARAGE	50100	220010	100	100		2017	8,400	0	0	560	3,920					
05A22690	080A	00GARAGE	40000	251030	100	100	O	2020	8,000	0	0	533	5,333					
05A22704	080A	00ELECT	40000	251020	100	100	O	2020	29,800	0	0	1,987	19,867					
05A22705	080A	00HVAC	40000	251010	100	100	O	2020	28,090	0	0	1,873	18,727					
05A22764	0100	00GARAGE	40000	251010	100	100	O	2020	19,000	0	0	1,267	12,667					
05A22896	080A	00GARAGE	40000	243030	100	100		2020	10,300	0	0	687	6,867					
05A22947	080A	00GROUND	40000	251070	100	100	O	2020	37,354	0	0	2,490	24,903					

x Step 2 – Calculate Amortized “Write off” Depreciation Amount

In the exported Equipment Review (ER) file:

1. Filter on total value between \$5,000 and \$9,999.
2. Calculate the amortized amount in a new CRIS_UF
 - Net Book Value / # of years in proposed rate agreement
 - Example below is assuming a 3-year rate agreement.

									Step 2.1 - Filter between \$5,000 & \$9,999				Step 2.2 - Calculated Amortized "Write off"	
Eqpld	OrigBldgld	Roomld	OrigDeptld	Accountld	Classld	TypeId	ExclCatld	FYAcq	TotValue	FedValue	PrivValue	DwnldDep	Net Book Value	
													CRIS_UF1	CRIS_UF2
A06603	055A	00507	66600	534220	100	100		2010	9,024	0	0	601.60	601.60	200.53
A08794	0051	00123	67900	538663	100	100		2010	7,464	0	0	497.60	497.60	165.87
A20792	0051	00526	67500	625263	100	100		2010	9,700	0	0	646.67	646.67	215.56
A20794	0051	00131	67500	625263	100	100		2010	5,800	0	0	386.67	386.67	128.89
A23073	0051	00439	67600	208055	100	100		2010	5,000	0	0	333.33	333.33	111.11
A28693	0036	00012	50200	201010	100	100		2010	8,000	0	0	533.33	533.33	177.78
A30469	0032	00013C	75100	211005	100	100		2010	6,100	0	0	406.67	406.67	135.56
A30488	0032	00013C	75100	211005	100	100		2010	7,600	0	0	506.67	506.67	168.89
A30832	0081	00105F	25900	243020	100	100		2010	6,000	0	0	400.00	400.00	133.33
A31120	0093	00FDMHAL	44000	355400	100	100		2010	6,000	0	0	400.00	400.00	133.33
A31265	0033	00307	75000	211000	100	100		2010	7,030	0	0	468.67	468.67	156.22
A31268	0033	00307	75000	211000	100	100		2010	6,286	0	0	419.07	419.07	139.69
A31309	0033	00100	75000	211000	100	100		2010	6,100	0	0	406.67	406.67	135.56

x Step 2 – Calculate Amortized “Write off” Depreciation Amount

In the exported Equipment Review (ER) file:

3. Update the Download Depreciation.

- Replace the download amount in the ER file with the Calculated amortized amount.

									Filter between \$5,000 & \$9,999			Step 2.3 - Updated Depr		Calculated Amortized "Write off"	
Eqpid	OrigBldgId	RoomId	OrigDeptId	AccountId	ClassId	TypeId	ExclCatId	FYAcq	TotValue	FedValue	PrivValue	DwnldDep	CRIS_UF1	CRIS_UF2	
A06603	055A	00507	66600	534220	100	100		2010	9,024	0	0	200.53	601.60	200.53	
A08794	0051	00123	67900	538663	100	100		2010	7,464	0	0	165.87	497.60	165.87	
A20792	0051	00526	67500	625263	100	100		2010	9,700	0	0	215.56	646.67	215.56	
A20794	0051	00131	67500	625263	100	100		2010	5,800	0	0	128.89	386.67	128.89	
A23073	0051	00439	67600	208055	100	100		2010	5,000	0	0	111.11	333.33	111.11	
A28693	0036	00012	50200	201010	100	100		2010	8,000	0	0	177.78	533.33	177.78	
A30469	0032	00013C	75100	211005	100	100		2010	6,100	0	0	135.56	406.67	135.56	
A30488	0032	00013C	75100	211005	100	100		2010	7,600	0	0	168.89	506.67	168.89	
A30832	0081	00105F	25900	243020	100	100		2010	6,000	0	0	133.33	400.00	133.33	
A31120	0093	00FDMHAL	44000	355400	100	100		2010	6,000	0	0	133.33	400.00	133.33	
A31265	0033	00307	75000	211000	100	100		2010	7,030	0	0	156.22	468.67	156.22	
A31268	0033	00307	75000	211000	100	100		2010	6,286	0	0	139.69	419.07	139.69	

The ER is updated with new Depreciation amount and is ready for import.

x Step 3 – Adjust Cost Pools for Equipment as a Supply.

1. In the updated Equipment Review(ER) file from Step 2:
 1. Filter on “FYAcq” for Base Year
 2. Copy and paste filtered equipment data into a new excel file.
 - This will be used to create the equipment adjustment file.
2. Export the Chart Review (CR) from the CRIS Base Year Model.
3. Add the following CR fields into the Equipment Adjustment file assigned to the asset’s Account ID
 - Cost Pool ID and Cost Pool Name
 - Department Name

							Step 3.1 - Filter on Base Year	Step 3.3- Add in Chart Review fields			
OrigBldgId	RoomId	OrigDeptId	AccountId	ClassId	TypeId	ExclCatId	FYAcq	TotValue	Cost Pool ID	Cost Pool Name	Department Name
0017	00326	50800	201055	200	200		2024	6752	9000	Instruction/Dept Research	MODERN LANGUAGES
0016	00E310	44000	885422	200	200		2024	9898	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E310	44000	885422	200	200		2024	6978	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E310	44000	885422	200	200		2024	6978	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E310	44000	885422	200	200		2024	6978	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E310	44000	885422	200	200		2024	6978	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E310	44000	885422	200	200		2024	6978	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E310	44000	885422	200	200		2024	6978	9600	Auxiliaries	ATHLETIC ADMIN
0016	00301E	44000	885401	200	200		2024	5156	9600	Auxiliaries	ATHLETIC ADMIN
0001	00107	10000	240031	100	100		2024	6792	2000	General Administration	PRESIDENT'S OFFICE
0016	00E208	44000	885411	100	100		2024	6928	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E008	44000	885441	100	100		2024	7550	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E008	44000	885442	100	100		2024	7550	9600	Auxiliaries	ATHLETIC ADMIN
0016	00E314	44000	885401	100	100		2024	7470	9600	Auxiliaries	ATHLETIC ADMIN
0009	00207	65500	223400	300	300		2024	8980	8000	Library	UNIV LIBRARIES
0022	00217	21000	244042	200	200		2024	7598	9550	Unallowable - OIA	VP FOR ALUMNI & DEV
0034	00023	51100	277804	200	200		2024	5980	9100	Organized Research	PHYSICS

x Step 3 – Adjust Cost Pools for Equipment as a Supply

- **Review the Cost Pool and Department assignments for accuracy.**
 - Lab equipment is associated with a Facilities Cost Pool.
 - University uses a generic “Controller” account/dept id when purchasing equipment.
- **The AccountID does not exist in the Chart Review, now what?**
 - Work with Fixed Asset team to identify updated accountID and/or use the Department ID to determine appropriate cost pool.
 - Department Cost Pool Summary (dcs) can be used to help assign cost pools.

								Step 3.1 - Filter on Base Year	Step 3.3- Add in Chart Review fields				
Eqpld	OrigBldgld	Roomld	OrigDeptld	Accountld	Classld	Typeld	ExclCatld	FYAcq	TotValue	Cost Pool ID	Cost Pool Name	Department Name	
A37661	0017	00326	50800	201055	200	200		2024	6752	9000	Instruction/Dept Research	MODERN LANGUAGES	
A37688	0084	00201	61700	764858	200	200		2024	7302	0	0 EDUCATION MEDIA CTR		
A37694	0018	00316	50100	764992	300	300		2024	7852	0	0 BIOLOGY		

- **Equipment with ExclCatld**
 - Review codes and update to OIA if necessary;
 - For example, “S- Service Center” – map to OIA
 - If there is an “F”, “P”, or “C” – do not exclude, it needs to go into the appropriate base.

x Step 3 – Adjust Cost Pools for Equipment as a Supply

4. Use the updated Equipment Adjustment File to create **CRIS** adjustment file:

Eqpld	OrigBldgld	Roomld	"OrigDeptID"	"AccountID"	Classld	TypeId	ExclCatld	FYAcq	"OthMTCamt"	"CostPoolld"
			OrigDeptld	Accountld					TotValue	Cost Pool ID
A37706	0001	00107	10000	240031	100	100		2024	6792	2000
A37772	0016	00E208	44000	885411	100	100		2024	6928	9600
A37773	0016	00E008	44000	885441	100	100		2024	7550	9600
A37774	0016	00E008	44000	885442	100	100		2024	7550	9600
A37823	0075	00117	13400	355600	100	100		2024	6250	1000
A37824	0075	00156	13400	355600	100	100		2024	6590	1000
A37868	0016	00E314	44000	885401	100	100		2024	7470	9600
A37927	0001	00014A	10000	240031	100	100		2024	7172	2000
A37954	0036	00338	50200	764982	100	100		2024	9550	9000
A39121	055C	00028A	41200	251160	100	100	0	2024	9622	9500

CRIS
Adjustment

AdjSeq	Active	LongName	ShortName	AdjGrpld	Accountld	CostPoolld	OrigDeptld	SponType	OthMTCamt
2000	TRUE	Equipment as a Supply			201055	9000	50800	7	6,752
2005	TRUE	Equipment as a Supply			764858	9000	61700	7	7,302
2010	TRUE	Equipment as a Supply			764992	9000	50100	7	7,852
2015	TRUE	Equipment as a Supply			885422	9600	44000	7	9,898
2020	TRUE	Equipment as a Supply			885422	9600	44000	7	6,978
2025	TRUE	Equipment as a Supply			885422	9600	44000	7	6,978
2030	TRUE	Equipment as a Supply			885422	9600	44000	7	6,978
2035	TRUE	Equipment as a Supply			885422	9600	44000	7	6,978
2040	TRUE	Equipment as a Supply			885422	9600	44000	7	6,978

x Step 4 – Initialize CRIS Model & Import Updated data

1. Using the Base year model, initialize a new CRIS Model.
2. Import the following files into new CRIS Model:
 - Adjustment – Append Only
 - Equipment Review – Full Overwrite
3. Create Adjustment Group (ajg)
4. Go to Adjustment (aj) and batch update Adjustment Group for newly added adjustments

Adj Grp Id	Long Name	Short Name	Adj Amt F
1	Default Adjustment Group	Def Adj	0
2	BUILDING INTEREST	BUILDING INTEREST	1,481,000
3	SWCAP	SWCAP	360,000
4	NON_CAP O&M	NON_CAP O&M	54,000
5	UG Capital EQ as Supply	UG Capital EQ Change	0

Adj Seq	Active	Long Name	Short Name	Adj Grp [Selected ...]	Account	Cost Pool	Orig Dept
1	<input checked="" type="checkbox"/>	Equipment as a Supply	Equipment as a Supply	20 - UG Capital EQ as Supply	201055	9000 - Instruction/Dept Research	50800 - MODERN LANGUAGES
2	<input checked="" type="checkbox"/>	Equipment as a Supply	Equipment as a Supply	20 - UG Capital EQ as Supply	764858	9000 - Instruction/Dept Research	61700 - EDUCATION MEDIA CTR
3	<input checked="" type="checkbox"/>	Equipment as a Supply	Equipment as a Supply	20 - UG Capital EQ as Supply	764992	9000 - Instruction/Dept Research	50100 - BIOLOGY
4	<input checked="" type="checkbox"/>	Equipment as a Supply	Equipment as a Supply	20 - UG Capital EQ as Supply	885422	9600 - Auxiliaries	44000 - ATHLETIC ADMIN
5	<input checked="" type="checkbox"/>	Equipment as a Supply	Equipment as a Supply	20 - UG Capital EQ as Supply	885422	9600 - Auxiliaries	44000 - ATHLETIC ADMIN
6	<input checked="" type="checkbox"/>	Equipment as a Supply	Equipment as a Supply	20 - UG Capital EQ as Supply	885422	9600 - Auxiliaries	44000 - ATHLETIC ADMIN

5. Run Model
6. Review 425 – Stepdown Schedule to ensure all changes are properly allocated.



Reviewing the Impact in **CRIS**

X Reviewing Equipment Threshold Impact

1. Run 389D- Rate Schedule, compare final rate to Base year model.

Base Year Model

CRIS UNIVERSITY FYE JUNE 30, 2024 Rate Schedule By Direct Group, Indirect Group Report					
Direct Cost Group: 55 - Organized Research					
Indirect Cost Group	Base Indicator	Base	Allocated Amount	Rate	Capped Rate
Administrative					
25 - General Admin	All	27,803,552	3,056,962	10.99	
30 - Departmental Admin	All	27,803,552	6,186,954	22.25	
35 - Spon Proj Admin	Sponsor	24,487,020	859,747	3.51	
Subtotal For Administrative			10,103,663	36.75	26.00
Facilities					
05 - Building	On Campus	26,636,274	777,009	2.92	
10 - Equipment	On Campus	26,636,274	1,239,919	4.66	
15 - Interest	On Campus	26,636,274	356,950	1.34	
20 - O&M	On Campus	26,636,274	3,156,325	11.85	
45 - Library	On Campus	26,636,274	361,481	1.36	
Subtotal For Facilities			5,891,684	22.13	22.13
On Campus Rate:				58.88	48.13
Off Campus Rate:				36.75	26.00

UG Equipment Update

CRIS UNIVERSITY FYE JUNE 30, 2024 Rate Schedule By Direct Group, Indirect Group Report					
Direct Cost Group: 55 - Organized Research					
Indirect Cost Group	Base Indicator	Base	Allocated Amount	Rate	Capped Rate
Administrative					
25 - General Admin	All	28,096,871	3,149,980	11.21	
30 - Departmental Admin	All	28,096,871	6,267,072	22.31	
35 - Spon Proj Admin	Sponsor	24,501,846	861,501	3.52	
Subtotal For Administrative			10,278,553	37.04	26.00
Facilities					
05 - Building	On Campus	26,916,665	777,012	2.89	
10 - Equipment	On Campus	26,916,665	1,343,658	4.99	
15 - Interest	On Campus	26,916,665	356,952	1.33	
20 - O&M	On Campus	26,916,665	3,170,119	11.78	
45 - Library	On Campus	26,916,665	363,027	1.35	
Subtotal For Facilities			6,010,768	22.34	22.34
On Campus Rate:				59.38	48.34
Off Campus Rate:				37.04	26.00

X Reviewing Equipment Threshold Impact

- Use Trend to see impact by cost pool.

Trend Compare - 319A - Final Cost Pool Summary

Models Legend: | bm - CRIS University v80 | 01 - CRIS University v80 UGEquip |

	Cost Group	Cost Pool	bm Total	01 Total	01 Total Diff
1	05 - Building	0050 - Buildings	9,833,190	9,833,190	0
2	05 - Building	0052 - OIA Buildings	600,544	600,544	0
3	05 - Building	0055 - Improvements	788,032	788,032	0
4	10 - Equipment	0060 - Equipment by Room	4,212,699	4,248,132	35,433
5	10 - Equipment	0070 - Equipment by Department	2,683,428	2,844,561	161,133
6	10 - Equipment	0080 - Equipment by Common Space	150,693	141,611	-9,082
7	15 - Interest	0090 - Interest	1,481,000	1,481,000	0
8	20 - O&M	1000 - O&M Campuswide	15,041,694	15,096,632	54,938
9	20 - O&M	1200 - O&M Bell Campus	34,985,189	35,178,831	193,642
10	20 - O&M	1400 - O&M South Campus	508,661	508,661	0
11	20 - O&M	1600 - O&M HSC Campus	6,961,849	6,961,849	0
12	20 - O&M	1800 - Aux/OIA O&M	5,223,448	5,223,448	0
13	20 - O&M	1900 - Dept'l Paid O&M	3,435,564	3,435,564	0
14	25 - General Admin	2000 - General Administration	10,245,663	10,869,767	624,104

NOTE: The one-time depreciation write off increased the equipment depreciation.

Future rate proposals, could see a decrease in the equipment component.

X Reviewing Equipment Threshold Impact

- Initialize a Third model and use Trend to see impact of not amortizing.

Trend Compare - 319A - Final Cost Pool Summary

Models Legend: | bm - CRIS University v80 | 02 - CRIS University v80 UGEquip no amortize

	Cost Group	Cost Pool	bm Total	02 Total	02 Total Diff
1	05 - Building	0050 - Buildings	9,833,190	9,833,190	0
2	05 - Building	0052 - OIA Buildings	600,544	600,544	0
3	05 - Building	0055 - Improvements	788,032	788,032	0
4	10 - Equipment	0060 - Equipment by Room	4,212,699	3,003,647	-1,209,052
5	10 - Equipment	0070 - Equipment by Department	2,683,428	2,005,239	-678,189
6	10 - Equipment	0080 - Equipment by Common Space	150,693	105,853	-44,840
7	15 - Interest	0090 - Interest	1,481,000	1,481,000	0
8	20 - O&M	1000 - O&M Campuswide	15,041,694	15,096,632	54,938
9	20 - O&M	1200 - O&M Bell Campus	34,985,189	35,178,831	193,642
10	20 - O&M	1400 - O&M South Campus	508,661	508,661	0
11	20 - O&M	1600 - O&M HSC Campus	6,961,849	6,961,849	0
12	20 - O&M	1800 - Aux/OIA O&M	5,223,448	5,223,448	0
13	20 - O&M	1900 - Dept'l Paid O&M	3,435,564	3,435,564	0
14	25 - General Admin	2000 - General Administration	10,245,663	10,869,767	624,104
15	30 - Departmental Admin	3002 - Dean of ARTS & SCIENCE	1,171,070	1,171,070	0

Future rate proposals, could see a decrease in the equipment component.

To see this impact, in the Equipment Review, remove all equipment between \$5,000 and \$9,999, leave the adjustment and re-run a trend to your Base Year model.

48.13% decreases to 46.96% (-1.17%)

X Reviewing Equipment Threshold Impact

- Use the three CRIS models to determine the impact statement to submit to your Cognizant Agency.
 - Base year
 - Amortized depreciation
 - No Amortized depreciation

- Submitting Impact to HHS-CAS:
 - Submit Base year proposal and include a statement for the rate impact to be considered during negotiations.
 - Mention the impact statement in the Transmittal letter.

- Submitting Impact to ONR:
 - Recommend reaching out to Negotiator for instructions. We think they will recommend:
 - Forward Pricing Proposals – include the impact in the proposal and address the change in the transmittal letter.
 - Predetermined – same as HHS-CAS.



Maximus assistance

X Assistance Available

Types of assistance available:

- Free resources – webinar and supporting template
- Utilize Maximus to perform calculation – contact Maximus for pricing at HigherEducationinfo@maximus.com

For **CRIS** Licensees:

- Utilize Maximus to review the calculation maintenance hours can be used
- Step-by-step guide to calculating the SRL adjustment
- Ask basic questions to the CRIS.Nethelpdesk@maximus.com

X Upcoming Events

- **18th Annual Facilities and Administrative (F&A) Long Form Virtual Workshop**

Monday, April 14 – Thursday, April 17, 2025. Each day's sessions will run from approximately 1:00 PM – 5:00 PM EST.

This introductory virtual workshop provides an overview of the requirements under the OMB "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" (2 CFR Part 200) for preparing the Long Form F&A cost rate proposal. The virtual workshop will give cost accountants, cost analysis managers, administrators for research and sponsored projects, controllers, budget directors, and internal and external auditors a working knowledge and better understanding of the F&A rate development process. Interactive exercises and reference to a simplified rate proposal offer hands-on practice to participants. This course incorporates the most up-to-date information on 2 CFR Part 200, also known as "Uniform Guidance", and discusses the impact of these vital changes.

- **Virtual CRIS University: Introduction to CRIS Workshop through Zoom Web Conferencing -**

Wednesday, May 14 – Tuesday, May 20, 2025. Each day's sessions will run from approximately 1:00 PM – 5:00 PM EST.

This live instructor led virtual introductory workshop provides university professionals who prepare F&A rate proposals with an overview of the Maximus Comprehensive Rate Information System (CRIS). Discounts may apply for CRIS Licensees.

CRIS is compliant with Uniform Guidance 2 CFR Part 200 and the most proven and widely trusted F&A software in the industry. Over 250 institutions use CRIS to calculate and negotiate F&A rates. CRIS has demonstrated and proven the optimization of F&A reimbursement through thousands of negotiations with HHS-CAS and ONR.

- **2025 Webinar Schedule – To Be Announced Soon!**

Please feel free to access our free Webinar Archive Library, which include a wide array of topics related to Research Administration.

- **Maximus 38th Annual Higher Education Hybrid Meeting (Chicago, September 10th - 13th)**

The Maximus 38th Annual Higher Education Hybrid Meeting will be held in-person in Chicago, IL and virtually through Zoom online meetings!

X Contact Information

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