Deans, Directors, Department Heads, Principal Investigators, and Research Administrators,

David and I are taking this opportunity to provide information on the following changes that will impact externally sponsored awards.

**Equipment Capitalization Threshold**

Effective July 1, 2017 the University’s capital equipment threshold will increase from $1,500 to $5,000.

How does this change affect Principal Investigators?

- All equipment received on or after July 1, 2017 (regardless of when it was ordered) with a unit acquisition cost of $5,000 or more and a useful life of more than one year will be treated as capital equipment. No F&A is assessed on such purchases.

- Any equipment received on or after this date that has an acquisition cost of less than $5,000 will be treated as a supply cost and applicable F&A will be assessed.

- All equipment received before this date, with a value between $1,500 and $5,000 will be treated as capital equipment.

- Equipment that is being fabricated and is put into use on or after this date will be treated as capital equipment if the overall value is $5,000 or greater, otherwise it will be expensed as a supply cost.

- Any new proposal submissions should begin using $5,000 as the capital equipment threshold unless it is certain that the equipment will be received before July 1, 2017.

Property Accounting will be updating their policies and procedures to reflect these changes.

**F&A Rate**

The current F&A rates will remain in place through 6/30/2019.

**Benefit Rate**

The Benefit Rates in effect beginning 7/1/2017 (fiscal year 2018) will be as follows:
### Salary Pool

<table>
<thead>
<tr>
<th>Salary Pool</th>
<th>FY18 Rate (Approved)</th>
<th>FY19 and Forward (Provisional)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RIT Full-Time (State &amp; Private)</td>
<td>35.0%</td>
<td>36.7%</td>
</tr>
<tr>
<td>RIT Part-Time Regular (State &amp; Private)</td>
<td>22.4%</td>
<td>22.5%</td>
</tr>
<tr>
<td>RIT Part-Time Other (State &amp; Private)</td>
<td>8.0%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Federal Full Eligibility</td>
<td>26.7%</td>
<td>26.5%</td>
</tr>
<tr>
<td>Federal Partial Eligibility</td>
<td>18.4%</td>
<td>18.1%</td>
</tr>
<tr>
<td>Federal Statutory</td>
<td>7.4%</td>
<td>8.1%</td>
</tr>
</tbody>
</table>

**Summer Salary**

Beginning Fall 2017, faculty will be on 9 month contracts and summer 2018 forward will allow for a maximum of 33% (for 100% effort).

The rate sheet on the SRS website has been updated for the changes noted above. If you have any questions, please contact your SRS rep or SPA rep.

Thank you,

Jason and David

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**Jason R. Tack**

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