May 31, 2012

To: Distribution
From: Bob Palleschi
Subject: FY2012 Fixed Rates

The following rates have been accepted by the Office of Naval Research and we have received a signed agreement, dated today. These rates should be used for forward-pricing and billing purposes with regard to trust funds for Fy2012:

- Personnel Leave 16.4%
- Direct Operating Overhead 26.8%
- General & Administrative 15.5%
- Material Burden 5.2%
- Central Engineering 26.4%
- Benefits—Regular 26.8%
- Benefits—Intermittent & <90-day 8.4%

As always, please remember that all items of cost are subject to the application of indirect cost rates.

There are two additional points of information for your use in budget development:

(1) The COLA and locality adjustment for CY2012 is 0%. (We have been using the NASA inflation rate of 2.5% for FY2013 budgets; as a point of information: in its projections SI is using 0% COLA for FY2013.)

(2) The personnel leave (non-productive) rate of 16.4% results in 1,794 productive hours for a full-time position.

Please distribute this memo to your division/department staff and let Erica Sohl or Karen McLaine know if you have any questions.

cc: C. Alcock
R. Brissenden
K. McLaine