



University of California Shafter Research and Extension Center

Recharge Rate Development



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SHAFTER REC FIELD RESEARCH RATE

The full cost for field research is \$5,331.75 per acre.

ANR and SREC used funds to subsidize this field research rate by \$1,029.59 per acre for all University of California and affiliated researchers. The subsidized field research rate is \$4,302.16 per acre. Additional commodity funding has further reduced the field research rate by \$4,102.16 for cotton projects and \$2,802.16 for non-cotton projects. Therefore, the billable field research rate for UC and affiliated researchers is:

\$ 200.00 per acre for cotton projects

\$1,500.00 per acre for non-cotton projects



2010 APPROVED RESEARCH RATE WSREC

Actual Full Cost Per Hour for Field Research \$89.83

ANR/WSREC Grant Subsidy Per Hour \$73.26

Approved Recharge Rate for UC Researchers \$16.57

USDA Rate – Net Hourly Recharge Rate

Plus 28.5% Non-University Differential (NUD) \$21.29

Non-UC-affiliated Researchers will be charged the
Full Cost Rate Plus the 28.5% NUD **\$115.43**



Hourly Research Recharge Rate

REC	Cost	Recharge Rate
Intermountain	37.43	6.17
Hopland	150.58	9.38
Sierra Foothill	83.20	5.12
Kearney		13.26
West Side	89.83	16.57
Lindcove	40.30	7.08
South Coast	72.46	20.84
Desert	45.20	9.22



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GUIDELINES FOR RECHARGE AND INCOME ACTIVITIES

Office of Management and Budget (OMB) Circular A21,
Cost Principles for Educational Institutions.

“provides principles for determining the costs applicable to research and development, training, and other sponsored work performed by colleges and universities under grants, contracts, and other agreements with the Federal Government.” (OMB Circular A-21, Sec. A-1)



Methods to recoup costs

◆ Direct Charges

- ◆ can be specifically identified with an activity, or costs that can be directly assigned to such activities relatively easily with a high degree of accuracy

◆ Recharge Rate

- ◆ Costs not easily assigned to an activity

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UC Recharge Rate Development

- ◆ Must reflect full cost of the operation
- ◆ Less any subsidies
- ◆ Same rate to all internal customers
- ◆ Cannot discriminate based on funding source
- ◆ Rates must be reasonable
 - ◆ Long definition of what that means
 - ◆ Researcher gripping not included in that definition

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UC Recharge Rate Development

- ◆ < \$15,00 reviewed by local unit
- ◆ > \$15,000 reviewed by internal committee
- ◆ Self-certification
- ◆ Can not generate extra money
- ◆ Recharge account within 1 month of operating expense
- ◆ Rate adjusted for surplus/deficient

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Recharge Rate Calculation

Allowable Costs

- ◆ Salaries/Benefits of personnel directly related to the recharge activity
- ◆ Supplies and reasonable general support costs
 - ◆ Irrigation water, fertilizer, fuel, pesticide, contract labor, electricity, etc.
- ◆ Equipment Depreciation
- ◆ Maintenance and repair/alterations
- ◆ Installation charges & allowable lease/loan costs
 - ◆ Funding of Recharge Capital Assets (OMB Circ. A-21, Sec. I)



Recharge Rate Calculation

Unallowable Costs

- ◆ Bank card fees, bad debts, fines & penalties, entertainment, membership, cost of capitalized improvements, internal interest charges, equipment purchases, or exceptional charges
- ◆ Unallowable space costs (centrally supported space), University's general and administrative costs



Rate Calculation

Salaries/Benefits	months	%	\$ w/ben	Total Annual Cost
Prin. Supt. of Ag	12	25	80,000	20,000
Prin. Ag. Tech	12	100	50,000	50,000
Sr. Ag. Tech	9	100	46,000	34,500
Supplies/Expenses				90,442
Equipment Depreciation				18,328
Surplus/Deficit				0
Total Projected Cost				\$ 213,270



Rate Calculation

Total Projected Cost				\$ 213,270.00
Acreage				
Non Cotton	Cotton	Uniform	Total	
6	34	48	88	40 in plots
Cost per acre				\$ 5,331.75
UC Subsidy		labor	\$ 41,184	\$ 1,029.59
Subsidized Rate			Per acre	\$ 4,302.16



Funding Model

Subsidized Rate			\$ 4,302.16
Grant/crop income	\$164,000	cotton	- \$ 4,102.16
Cost to cotton researchers		per acre	\$ 200.00
Crop income	\$ 16,800	non cotton	- \$2802.16
Cost to non cotton researchers		per acre	\$ 1,500.00



Non-University Differential (NUD)

- ◆ External users limited access to products or services
- ◆ Recover indirect costs
- ◆ 28.5%

**Field Research Support is as valuable
as any grant**

