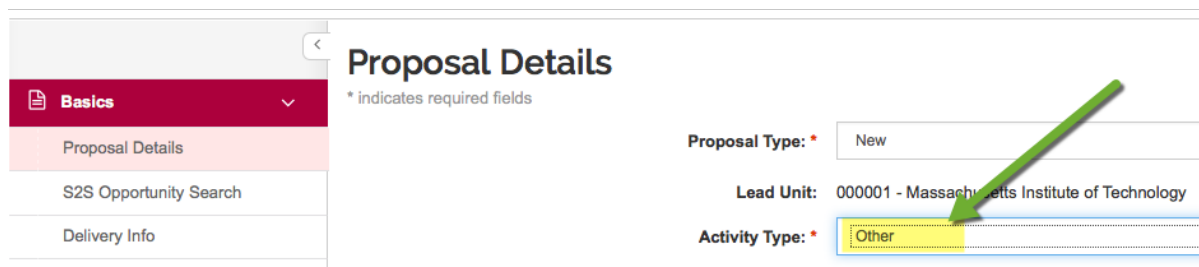


## Overview:

For all **federal proposals for non-research activities** (Activity types "**Instruction**" and "**Other**"), the indirect cost rate should be set at **10%** Modified Total Direct Costs (MTDC), the federal *de minimis* rate.

## Procedure:

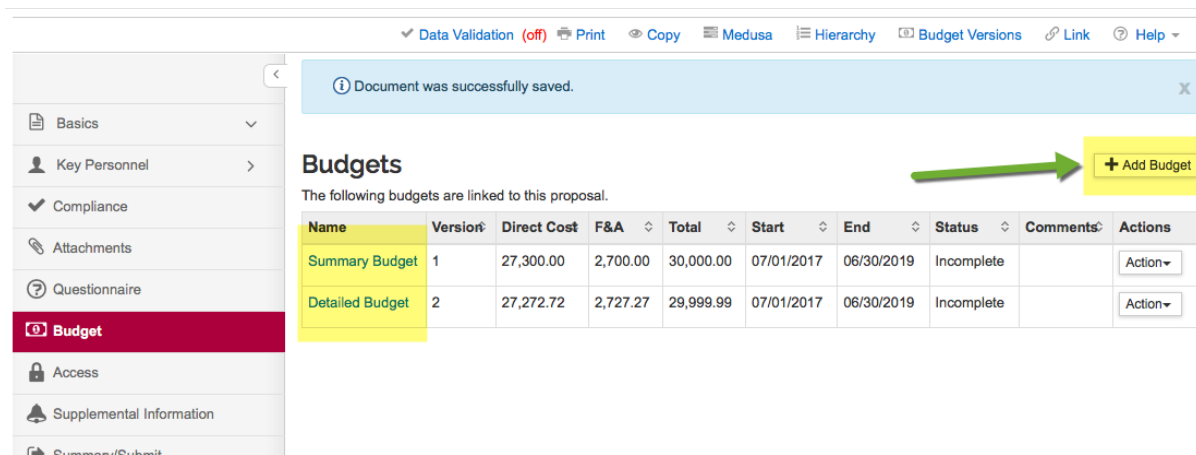
1. In **Proposal Details**, make sure the Activity Type is set to "**Instruction**" or "**Other**" as appropriate:



The screenshot shows the 'Proposal Details' form. On the left is a navigation menu with 'Basics' selected. The main form area has a 'Proposal Type' dropdown set to 'New' and a 'Lead Unit' dropdown set to '000001 - Massachusetts Institute of Technology'. The 'Activity Type' dropdown is highlighted in yellow and set to 'Other', with a green arrow pointing to it.

Figure 1 – Specify the Activity Type

2. Go to the **Budget** tab and "Add Budget" or open an existing budget version by clicking on the name:



The screenshot shows the 'Budgets' tab. A notification at the top says 'Document was successfully saved.' Below is a table of budget versions. The 'Add Budget' button is highlighted in yellow with a green arrow pointing to it.

Name	Version	Direct Cost	F&A	Total	Start	End	Status	Comments	Actions
Summary Budget	1	27,300.00	2,700.00	30,000.00	07/01/2017	06/30/2019	Incomplete		Action
Detailed Budget	2	27,272.72	2,727.27	29,999.99	07/01/2017	06/30/2019	Incomplete		Action

3. In the budget version you will make final, you will need to adjust **Budget Settings, Rates Tables, and Institutional Commitments-> Unrecovered F&A:**

Proposal #33332 > Budget #1

## Budget #1: Summary Budget

Marked For Submission: No  
Created: 07/21/2016  
Proposal: #33332  
[more...](#)

Data Validation (off) Budget Settings Summary Budget Versions Help

177397

« Return to proposal

- Periods & Totals
- Rates
- Personnel Costs
- Non-Personnel Costs
- Single Point Entry
- Subawards
- Institutional Commitments
  - Cost Sharing
  - Unrecovered F & A

### Periods & Totals

Recalculate with changes Reset to period defaults

Period Start Date *	Period End Date *	Months	Total Sponsor Cost	Direct Cost	F&A Cost	Unrecovered F&A	Cost Sharing	Cost Limit	Direct Cost Limit
07/01/2017	06/30/2019	24.0	30,000.00	27,300.00	2,700.00	15,556.00	62,015.00	0.00	0.00
		<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>
		24.00	30,000.00	27,300.00	2,700.00	15,556.00	62,015.00	0.00	

4. **Budget Settings:** Make sure these settings are in place:

- "Unrecovered F&A Rate type" to **Fund with Transaction Fee (FUNSN)**
- "F&A Rate type" to **MTDC**

### Budget Settings

Project Start Date: 07/01/2017  
Project End Date: 06/30/2019

Total Direct Cost Limit: 0.00

Budget Status: Incomplete

On/Off Campus: Default

Residual Funds: 0.00

Total Cost Limit: 0.00

Unrecovered F & A Rate Type: Fund with Transaction Fee (FUNSN) ←

F&A Rate Type: MTDC ←

Comments:

Modular Budget:

Submit Cost Sharing:

Apply Changes Close

5. In the **Rates table**, set the MTDC rates to **10%**

**Rates** Refresh All Rates Sync All

Verify the default rates set by your institution. You can override them if necessary by clicking the edit icon to the right of each row.

Other F & A Fringe Benefits Inflation Vacation Other

**Other F & A** Sync to Current Institutional Rates Reset to Default

Description	On Campus	Fiscal Year	Start Date	Institute Rate	Applicable Rate *
<b>Fund with Transaction Fee (FUNSN)</b>					
Salaries	No	2017	07/01/2016	6.00	6.00
Salaries	Yes	2017	07/01/2016	54.70	54.70
Materials and Services	No	2011	07/01/2010	10.00	10.00
Materials and Services	Yes	2011	07/01/2010	10.00	10.00
Faculty and Student Salaries	No	2008	07/01/2007	0.00	0.00
Faculty and Student Salaries	Yes	2008	07/01/2007	0.00	0.00
<b>MTDC</b>					
MTDC	No	2017	07/01/2016	6.00	10.00
MTDC	Yes	2017	07/01/2016	54.70	10.00

6. In **Institutional Commitments > Unrecovered F&A**, you will need to enter the amount of unrecovered F&A for each year as a separate line. **Do not do this until the budget is ready to complete.**

Go to the **Periods and Totals** tab, and note how much underrecovery there is for each budget period:

**Periods & Totals** Recalculate with changes Reset to period

+ Add Budget Period

Period Start Date *	Period End Date *	Months	Total Sponsor Cost	Direct Cost	F&A Cost	Unrecovered F&A	Cost Sharing	Cost Limit	Direct Cost Limit
07/01/2017	06/30/2019	24.0	30,000.00	27,300.00	2,700.00	15,556.00	62,015.00	0.00	0.00
		<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>	<b>Total:</b>
		24.00	30,000.00	27,300.00	2,700.00	15,556.00	62,015.00	0.00	0.00


7. Then go to **Institutional Commitments > Unrecovered F&A**
  - a. Enter amount of Unrecovered F&A for each year on a separate line
  - b. Enter **10%** as the Applicable Rate
  - c. List the funding source as "0000001"
  - d. Delete any empty lines

### Unrecovered F&A View Summary

Assign and distribute unallocated expenses to stakeholders, institutions, or other individuals.

+ Add Unrecovered F&A

Fiscal Year	Applicable Rate	On Campus	Source Account	Amount	Actions
2 2018	10.00	Yes	0000001	15,556.00	🗑️
1 2018	10.00	No		0.00	🗑️
				Total Allocated: 15,556.00	
				Total Unallocated: 0.00	



For questions or problems using Kuali Coeus, email the OSP Support Team at [kc-help@mit.edu](mailto:kc-help@mit.edu). Include your **Name**, **Contact Information**, and the **Proposal number**