



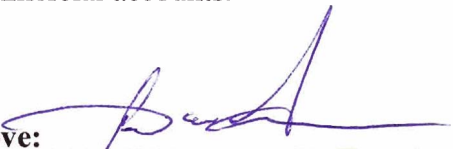
Memorandum:

TO: Dr. John Horack, VP for Research
FROM: Gloria Greene, OSP
SUBJECT: **Proposing Leave Loaded Rates on all Commercial Proposals**
DATE: 16 June 2010

I am requesting approval to establish a policy that all commercial proposals are prepared using fully burden labor rates (salary, fringes, and F&A). Commercial contracts do not allow direct charges of paid absences (annual, sick and holiday leave); in most cases these expenses are charged directly to the department/center org codes.

By proposing and billing fully burden labor rates, the paid absences will be placed in a leave account and individuals working on commercial contracts will charge their leave proportionally to hours worked on the contract to the leave account.

The next step in the process will be to work with C&G Accounting in establishing a consistent system to track and allocate leave based on who earned and how much earned on commercial accounts.

Approve:  21 June 2010
John M. Horack, Ph.D., VP for Research (Date)

Disapprove: _____
John M. Horack, Ph.D., VP for Research (Date)