



Date: May 27, 2014

From: ORTT

To: All

Subject: WSU Lab, Center and Labor Rate Development Guidelines

Lab Rate / Labor Rate Guidelines

In order to receive and use a qualified Lab or Labor rate, one of the following 6 criteria must be met:

1. Lab must employ at least 3 Full Time (FTE) staff that act as a centralized unit (lab or center) for lab purposes.
2. Lab must employ at least 3 Faculty members that act as a centralized unit (lab or center) for lab purposes with one member serving as the budget officer for the lab with oversight by the Department Chair or Dean.
3. Lab must generate more than \$25,000 from external, non-sponsored, income per year.
4. Requests for lab rates will be submitted by the PI to ORTT using the ORTT Lab Rate Request form. Approval must be received from the Dean prior to sending to ORTT.
5. Lab rates will be valid for no more than 2 years. Renewal rates must be initiated by the lab using the ORTT Lab Rate Request form found on the ORTT website.
6. All lab rates must be either developed by or reviewed and approved by ORTT prior to billing any entity (internal or external to WSU).

In addition, the Lab must have space that is not included in the Universities F&A data. A space survey form documenting the space used must be included with the request.

Labor rates may be used when:

1. The contract requires primarily services from individuals, as opposed to services from machines or laboratories.
2. Labor rates are calculated based on the salaries and fringe associated with each employee assigned to the centralized unit (lab or center).
3. Labor rates can be structured in tiers based on the level of service. For example, tier 1 – program management; tier 2 – developers/consultants; tier 3 – student/graduate workers.
4. Labor rates can be calculated by the unit and then sent to ORTT for review and approval.
5. Labor rates will include the University overhead rate, as a separate factor, but overhead will be separately billed to each customer/sponsor.
6. Other Operating Expenses (OOE) will not be included in a labor rate. OOE should be spelled out in the contract as separately billed, when appropriate.

Space used for performing these services may or may not occur on WSU property. If space is utilized on WSU property, a space survey form documenting the space used must be included with the request.