



DEPARTMENT OF THE NAVY

OFFICE OF NAVAL RESEARCH
875 NORTH RANDOLPH STREET
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ARLINGTON, VA 22203-1995

IN REPLY REFER TO:

BD242
June 7, 2012

Ms. Charlene M. Bellows
Acting Controller, Financial Services
Worcester Polytechnic Institute
100 Institute Road
Worcester, MA 01609

Subj: CHANGE IN EQUIPMENT CAPITALIZATION THRESHOLD

Ref: (a) Worcester Polytechnic Institute (WPI) F&A and Fringe Benefits Rate Proposal
Dated 15 Apr 2011

Dear Ms. Bellows:

In reference (a), WPI requested approval to increase their equipment capitalization threshold from \$500 to \$5,000 beginning July 1, 2011 (FY 2012). This proposed change is approved effective July 1, 2011 with the understanding that it cannot result in increased costs to federal awards awarded under the prior equipment threshold. Accordingly, upward funding adjustments to existing awards as a result of this accounting change is prohibited.

Any questions concerning this correspondence may be directed to Ms. Beth Snyder at beth.snyder@navy.mil or 571/ 329-4785.

Sincerely,

A handwritten signature in black ink that reads "Deborah K. Rafi".

Deborah K. Rafi
Contracting Officer

Cc: ONR Boston
DCAA Greater Connecticut Branch Office