



DEPARTMENT OF THE NAVY
 OFFICE OF NAVAL RESEARCH
 875 NORTH RANDOLPH STREET
 SUITE 1425
 ARLINGTON, VA 22203-1995

Agreement Date: July 2, 2009

NEGOTIATION AGREEMENT

INSTITUTION: UNIVERSITY OF DELAWARE
 NEWARK, DELAWARE 19716-4005

The Facilities and Administrative (F&A) cost and Fringe Benefits rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the University of Delaware by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR 220. These rates shall be used for forward pricing and billing purposes for the University of Delaware's Fiscal Year (FY) 2010. This rate agreement supersedes all previous rate agreements/determinations for FY 2010.

Section I: RATES - TYPE: PROVISIONAL (Prov)

F&A Rates:

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Prov	7/1/09	Until Amended	53.0%	(a)	Organized Research (OR)	On Campus
Prov	7/1/09	Until Amended	27.0%	(a)	Organized Research	Off Campus
Prov	7/1/09	Until Amended	31.8%	(a)	OR-College of Agriculture	On Campus
Prov	7/1/09	Until Amended	23.6%	(a)	OR-College of Agriculture	Off Campus
Prov	7/1/09	Until Amended	38.9%	(a)	Other Sponsored Activities	On Campus
Prov	7/1/09	Until Amended	24.9%	(a)	Other Sponsored Activities	Off Campus
Prov	7/1/09	Until Amended	43.7%	(a)	Sponsored Instruction	On Campus
Prov	7/1/09	Until Amended	33.9%	(a)	Sponsored Instruction	Off Campus

Fringe Benefits Rates:

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Prov	7/1/09	Until Amended	32.3%	(b)	Faculty/Prof. Employees	All
Prov	7/1/09	Until Amended	50.6%	(b)	Staff Employees	All
Prov	7/1/09	Until Amended	4.0%	(b)	Graduate Students	All
Prov	7/1/09	Until Amended	7.9%	(b)	Other	All

DISTRIBUTION BASES

- (a) Modified Total Direct Cost (MTDC), consisting of salaries and wages, fringe benefits, materials and supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract. Equipment (defined as an article of nonexpendable tangible personal property having a useful life of more than one year and an acquisition cost of

\$5,000 or more per unit), capital expenditures, charges for patient care and tuition remission, rental costs of offsite facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from modified total direct costs. Vessel (ship) charges are also excluded.

(b) Salaries and Wages

SECTION II - GENERAL TERMS AND CONDITIONS

A. LIMITATIONS: Use of the rates set forth under Section I is subject to any statutory or administrative limitations and is applicable to a given grant, contract or other agreement only to the extent that funds are available and consistent with any and all limitations of cost clauses or provisions, if any, contained therein. Acceptance of any or all of the rates agreed to herein is predicated upon all the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the grantee/contractor and allowable under governing cost principles; (2) that the same costs that have been treated as indirect costs are not claimed as direct costs; (3) that similar types of costs, in like circumstances, have been accorded consistent accounting treatment; (4) that the information provided by the contractor/grantee, which was used as the basis for the acceptance of the rates agreed to herein and expressly relied upon by the Government in negotiating the said rates, is not subsequently found to be materially incomplete or inaccurate and (5) the information provided by the contractor/grantee, which was used as the basis for the acceptance of building depreciation cost in the rates agreed to herein and expressly relied upon by the Government in negotiating the said rates, is not subsequently found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: The rates contained in Section I of this agreement are based on the accounting system in effect at the time this agreement was negotiated. Changes to the method(s) of accounting for costs, which affects the amount of reimbursement resulting from the use of these rates, require the written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. Such changes include but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowances.

C. PROVISIONAL RATES: The provisional rates contained in this agreement are subject to unilateral amendment by the Government or bilateral amendment by the contracting parties at any time.


D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in 2 CFR 220. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other transactions to which 2 CFR 220 is applicable, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other Federal agencies which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

E. **SPECIAL REMARKS:** Off Campus Definition – For all activities performed in facilities not owned by the institution, the off campus rate will apply. (For all activities performed in facilities rented with institution funds, the on campus rate will apply). Grants or contracts will not be subject to more than one indirect cost rate. If more than 50% of a project is performed off campus, the off campus rate will apply to the entire project.


Accepted:

THE UNIVERSITY OF DELAWARE:

THE U.S. GOVERNMENT:



ROBERT M. SPECTER
Vice President for Finance



LINDA B. SHIPP
Contracting Officer

7/2/09
Date

7-2-09
Date

For information concerning this agreement contact:

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