

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 74-2652689

DATE:08/29/2016

ORGANIZATION:

FILING REF.: The preceding agreement was dated 05/05/2016

University of Arizona  
 University Services Building  
 888 N. Euclid Ave., Rm. 502F  
 Tucson, AZ 85721-0158

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)      PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2016	06/30/2020	53.50	On-Campus	Organized Research
PRED.	07/01/2016	06/30/2020	26.00	Off-Campus	Organized Research
PRED.	07/01/2016	06/30/2020	50.00	On-Campus	Instruction
PRED.	07/01/2016	06/30/2020	26.00	Off-Campus	Instruction
PRED.	07/01/2016	06/30/2020	47.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2016	06/30/2020	26.00	Off-Campus	Other Sponsored Activities
PROV.	07/01/2020	Until Amended		(1)	

\*BASE

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Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

(1) Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

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SECTION I: FRINGE BENEFIT RATES\*\*

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2016	6/30/2017	34.90	All	UA Employees
FIXED	7/1/2016	6/30/2017	26.10	All	Faculty Ancillary
FIXED	7/1/2016	6/30/2017	13.70	All	Classified Temporary
FIXED	7/1/2016	6/30/2017	1.70	All	Student Employees
FIXED	7/1/2016	6/30/2017	13.40	All	Graduate Assistants

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages including vacation, holiday, sick leave pay and other paid absences.

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SECTION II: SPECIAL REMARKS

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) are listed below.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts, and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these paid absences are not made, except where vacation benefit leave is accrued and earned but unused at the termination of a project.

OFF-CAMPUS DEFINITION AND APPLICATION

The off-campus rate is applicable to those projects that are conducted in facilities not owned, leased or operated by the University, and for which facility rental costs are directly charged to the project and more than 50% of its salaries and wages are incurred at the off-campus rental facility. If a project is determined to be off-campus, it shall be considered wholly off-campus. Separate on and off-campus rates will not be used for a single project.

DEFINITION OF EQUIPMENT

Equipment is defined as tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

The following fringe benefits are included in the fringe benefit rate(s): FICA, WORKERS COMPENSATION, UNEMPLOYMENT COMPENSATION, LIABILITY INSURANCE, HEALTH/ACCIDENT/LIFE/DISABILITY INSURANCE (HALD), DEPENDENT CARE ASSISTANCE, RETIREMENT, RETIREE SICK PAY, TERMINATION LEAVE AND QUALIFIED TUITION REDUCTION PROGRAM FOR EMPLOYEES.

The two year extension of the indirect cost rate was granted in accordance with 2 CFR 200.414(g).

NEXT PROPOSAL DUE DATE

Your next indirect cost proposal based on your fiscal year ending 06/30/19, is due in our office by 12/31/19 and your next fringe benefits proposal based on fiscal year ending 06/30/16 is due by 12/31/16.

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**SECTION III: GENERAL**

**A. LIMITATIONS:**

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

**B. ACCOUNTING CHANGES:**

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

**C. FIXED RATES:**

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

**D. USE BY OTHER FEDERAL AGENCIES:**

The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

**E. OTHER:**

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:

University of Arizona

(INSTITUTION)

(SIGNATURE)

Greg Goldman

(NAME)

Senior Vice President for Business Affairs  
and Chief Financial Officer

(TITLE)

9/9/16

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Arif M. Karim - A

Digitally signed by Arif M. Karim - A  
DN: cn=US, o=U.S. Government, ou=HHS, ou=PS, ou=People, cn=Arif M. Karim - A,  
0.9.2342.19200300.100.1.1=2000212895  
Date: 2016.09.01 15:04:59 -0500

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

8/29/2016

(DATE) 0162

HHS REPRESENTATIVE:

Jeanette Lu

Telephone:


(415) 437-7820

UNIVERSITY OF ARIZONA  
FACILITIES AND ADMINISTRATIVE COST RATES

EXHIBIT A

	ORGANIZED RESEARCH		INSTRUCTION		OTHER SPONSORED ACTIVITIES	
	JULY 1, 2016 THROUGH JUNE 30, 2020		JULY 1, 2016 THROUGH JUNE 30, 2020		JULY 1, 2016 THROUGH JUNE 30, 2020	
	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS
BUILDING	4.6%		3.4%		3.1%	
EQUIPMENT	3.0%		1.0%		1.5%	
INTEREST	3.5%		2.1%		0.9%	
OPERATIONS & MAINTENANCE	14.3%		10.0%		11.5%	
LIBRARY	2.1%		7.5%		4.0%	
GENERAL ADMINISTRATION	5.8%		3.7%		4.7%	
DEPARTMENT ADMINISTRATION	17.4%		10.7%		19.0%	
SPONSORED PROJECTS ADMINISTRATION	2.8%		1.8%		2.3%	
STUDENT SERVICES	0.0%		9.8%		0.0%	
ADMINISTRATION COMPONENTS	26.0%	26.0%	26.0%	26.0%	26.0%	26.0%
TOTAL	53.5%	26.0%	50.0%	26.0%	47.0%	26.0%

ADMINISTRATIVE COMPONENTS ARE CAPPED AT 26.0% IN ACCORDANCE WITH OMB A-21, DATED JULY 26, 1993.  
CONCUR:



(SIGNATURE)

Senior Vice President for Business Affairs and Chief Financial Officer

TITLE

9/9/16

DATE