

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

Agreement Date: October 17, 2016

NEGOTIATION AGREEMENT

**INSTITUTION: Carnegie Mellon University
 Pittsburgh, PA 15213-3890**

The Facilities and Administrative (F&A), and Cost of Money rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to Carnegie Mellon University by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR 200. These rates shall be used for forward pricing and billing purposes for the Carnegie Mellon University Fiscal Year 2017. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2017.

Section I: RATES - TYPE: FIXED (FIXED)

Facilities & Administrative (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>
Fixed	7/1/16	6/30/17	61.40%	(a)	Organized Research (1)	On-Campus
Fixed	7/1/16	6/30/17	66.40%	(a)	Organized Research (2)	On-Campus
Fixed	7/1/16	6/30/17	26.00%	(a)	Organized Research (1)	Off-Campus
Fixed	7/1/16	6/30/17	31.30%	(a)	Organized Research (2)	Off-Campus
Fixed	7/1/16	6/30/17	26.30%	(a)	Organized Research (1)	Off-Campus NREC ¹
Fixed	7/1/16	6/30/17	34.70%	(a)	Organized Research (2)	Off-Campus NREC
Fixed	7/1/16	6/30/17	35.80%	(a)	Organized Research (1)	Off-Campus Silicon Valley ²
Fixed	7/1/16	6/30/17	12.00%	(a)	All Programs	SEI ³

Cost of Money Factor

<u>Type</u>	<u>From</u>	<u>To</u>	<u>Rate</u>	<u>Base</u>	<u>Applicable To</u>	<u>Location</u>
Fixed	7/1/16	6/30/17	0.00107	(a)	All Programs	SEI

¹National Robotics Engineering Center

²CMU Silicon Valley Campus

³Software Engineering Institute

DISTRIBUTION BASES

(a) Modified Total Direct Costs consisting of salaries and wages, fringe benefits, graduate student stipends, materials and supplies, services, travel, and subawards up to the first \$25,000 of each

subaward (regardless of the period covered by the subaward). Equipment, capital expenditures, charges for tuition remission, rental costs, scholarships and fellowships, participant support costs as well as the portion of each subaward in excess of \$25,000 shall be excluded from modified total direct costs.

APPLICABLE TO

- (1) Applies to DOD contracts awarded before November 30, 1993, all Non-DOD Instruments, and all DOD grants (See Section II, paragraph F). (Capped)
- (2) Applies to only DOD contracts awarded on or after November 30, 1993 in accordance with and under the authority of DFARS 231.303(1) (See Section II, paragraph F). (Uncapped)

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.

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. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates contained in this agreement are based on estimates of the costs for FY 2017. When actual costs for this fiscal year are determined, adjustments will be applied to the next subsequent rate negotiation to recognize the difference between the FY 2017 estimated costs used to establish the fixed rates and the negotiated actual FY 2017 costs.

D. CARRY-FORWARD AMOUNTS: The following estimated carry-forward amounts were considered in the establishment of the FY 2017 rates: () represents over-recovery

F&A Rates	Liquidated in FY 2017 Fixed Rates		
	Fiscal Year	Capped	Uncapped
Organized Research - On Campus	2014	\$ 1,529,532	\$ 102,450
	2015	\$ 1,000,000	
Organized Research - Off Campus	2015	\$ 1,457	
NREC Off Campus	2014	\$ 7,794	\$ 104,182
Silicon Valley - Off Campus	2015	\$ 117,199	
SEI	2014	\$ 441,281	
	2015	\$ 721,654	
Cost of Money	2014	\$ (4,282)	

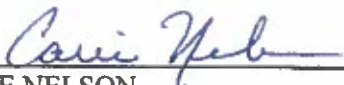
E. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in 2 CFR 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other agreements to which 2 CFR 200 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 to provide such agencies with documentary notice of this agreement and its terms and conditions.

F. APPLICATION OF INDIRECT COST RATES TO DOD CONTRACTS/ SUBCONTRACTS: In accordance with DFARS 231.303, no limitation (unless waived by the institution) may be placed on the reimbursement of otherwise allowable indirect costs incurred by an institution of higher education under a DOD contract awarded on or after November 30, 1993, unless the same limitation is applied uniformly to all other organizations performing similar work. It has been determined by the Department of Defense that such limitation is not being uniformly applied. Accordingly, the rates cited (2) of Section I, as explained under the title, "APPLICABLE TO" do not reflect the application of the 26% limitation on administrative indirect costs imposed by 2 CFR 200, whereas (1) do so.

Accepted:

FOR CARNEGIE MELLON UNIVERSITY:

FOR THE U.S. GOVERNMENT:


 CARRIE NELSON
 Interim Associate Vice President for Finance
 and Controller and Assistant Vice President
 for International Finance


 BETH A. SNYDER
 Contracting Officer

10.24.16
 Date

10/24/2016
 Date

For information concerning this agreement contact:

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