

DEPARTMENT OF THE NAVY

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

IN REPLY REFER TO:

Agreement Date: June 23, 2020

NEGOTIATION AGREEMENT

INSTITUTION: **CARNEGIE MELLON UNIVERSITY
PITTSBURGH, PA 15213-3890**

The Facilities and Administrative (F&A) and Fringe Benefits rates and Cost of Money factors contained herein are for use on grants, contracts and/or other agreements issued or awarded to the Carnegie Mellon University by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR Part 200. These rates shall be used for forward pricing and billing purposes for the Carnegie Mellon University Fiscal Year 2021. This rate agreement supersedes all previous rate agreements/determinations related to these rates for Fiscal Year 2021.

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	7/1/20	6/30/21	55.4%	(a)	Organized Research (1)	On-Campus
Fixed	7/1/20	6/30/21	53.8%	(a)	Organized Research (2)	On-Campus
Fixed	7/1/20	6/30/21	26.0%	(a)	Organized Research (1)	Off-Campus
Fixed	7/1/20	6/30/21	25.9%	(a)	Organized Research (1)	Off-Campus NREC ¹
Fixed	7/1/20	6/30/21	21.5%	(a)	Organized Research (2)	Off-Campus NREC
Fixed	7/1/20	6/30/21	50.1%	(a)	Organized Research (1)	Off-Campus Silicon Valley ²
Fixed	7/1/20	6/30/21	11.2%	(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	7/1/20	6/30/21	0.00151	(a)	All Programs	SEI

¹National Robotics Engineering Center

²CMU Silicon Valley Campus

³Software Engineering Institute

Fringe Benefit Rates

<u>Category</u>	<u>Type</u>	<u>From</u>	<u>To</u>	<u>Rate</u>	<u>Base</u>	<u>Applicable To</u>	<u>Location</u>
Domestic Full Time	Fixed	7/1/20	6/30/21	24.5%	(b)	All programs	Pittsburgh
International Full Time	Fixed	7/1/20	6/30/21	26.3%	(c)	All programs	International
Domestic Part Time w/ Benefits	Fixed	7/1/20	6/30/21	23.9%	(d)	All programs	Pittsburgh
Domestic Part Time w/o Benefits	Fixed	7/1/20	6/30/21	8.1%	(e)	All programs	Pittsburgh

DISTRIBUTION BASES

(a) Modified Total Direct Cost (MTDC) consisting of all direct salaries and wages, applicable fringe benefits, graduate student stipends, materials and 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). Equipment, capital expenditures, charges for patient care, rental costs, tuition remission, 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 cost.

(b) Total full time faculty, staff, and union salaries and wages.

(c) Total full time faculty, staff, and union salaries and wages working internationally.

(d) Total part time salaries and wages with benefits for employees who work at least 17.5 hours per week, in an appointment of four months or longer.

(e) Total part time salaries and wages with mandated benefits for employees who work less than 17.5 hours per week, or in an appointment of less than four months.

APPLICABLE TO

(1) Applies to DOD contracts awarded before November 30, 1993, all Non-DOD Instruments, and all DOD grants and other agreements (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 availability of funds and to any other statutory or administrative limitations. The rates are 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 the following conditions: (1) that no costs other than those incurred by the institution were included in this indirect cost pool as finally accepted and that such costs are legal obligations of the institution 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 have been accorded consistent accounting treatment; and (4) that the information provided by the institution which was used as a basis for acceptance of the rates agreed to herein, and expressly relied upon by the Government in negotiating and accepting 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 the agreement was negotiated. Changes to the method(s) of accounting for costs, which affect the amount of reimbursement resulting from the use of these rates require the prior written approval of the authorized representative of the cognizant agency for indirect costs. 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 2021. When actual costs for this fiscal year are determined, adjustments will be applied to a rate negotiation for a subsequent fiscal year to recognize the difference between the FY 2021 estimated costs used to establish the fixed rates and the negotiated actual FY 2021 costs.

D. CARRY FORWARD AMOUNTS: The following FY 2018 final and FY 2019 estimated carry-forward amounts were included in the establishment of the FY 2021 rates:

() indicates over-recovery

<u>F&A Rates</u>	<u>Liquidated in FY 2021 Rates</u>		
	<u>Fiscal Year</u>	<u>Capped</u>	<u>Uncapped</u>
Organized Research On-Campus	2018	(\$236,466)	(\$14,526)
	2019	\$1,077,437	(\$100,972)
Organized Research Off-Campus	2019	(\$1,318)	
NREC Off Campus	2018		(\$1,228)
	2019	(\$84,382)	(\$160,721)
Silicon Valley Off-Campus	2017	\$125,361	
	2018	\$170,503	
	2019	(\$163,874)	
SEI	2018	(\$11,291)	
	2019	\$946,430	
SEI Cost of Money	2019	\$83,778	

<u>Fringe Benefits</u>	Liquidated in FY 2021	
	<u>Rates</u>	
	<u>Fiscal Year</u>	<u>Amount</u>
Full Time Faculty/Staff Domestic	2019	\$28,010
Full Time Faculty/Staff International	2019	\$205,489
Domestic Part time w/Benefits	2019	\$7,108
Domestic Part time w/o Benefits	2019	\$53,932

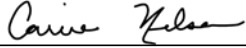
E. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I are negotiated in accordance with and under the authority set forth in 2 CFR Part 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts, and other agreements to which 2 CFR Part 200 applies, 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 DEPARTMENT OF DEFENSE (DOD) CONTRACTS: In accordance with DFARS 231.303, no limitation may be placed on the reimbursement of otherwise allowable indirect cost 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 DoD 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 Part 200, whereas (1) does so.

G. DFARS WAIVER: Signature of this agreement by the authorized representative of Carnegie Mellon University and the Government acknowledges and affirms the University’s request to waive the prohibition contained in DFARS 231.303(1) and the Government’s exercise of its discretion contained in DFARS 231.303(2) to waive the prohibition in DFARS 231.303(1) for Organized Research Off Campus, Silicon Valley and Software Engineering Institute rates. The waiver request by Carnegie Mellon University is made to simplify the University’s overall management of DoD cost reimbursements under DoD contracts.

Accepted:
FOR CARNEGIE MELLON UNIVERSITY:

FOR THE U.S. GOVERNMENT:



Carrie Nelson
Associate Vice President
for Finance and Controller

6/24/20

Date

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4688946 Date: 2020.06.26
07:09:57 -04'00'

Linda Morgan Wood
Contracting Officer

6/26/2020

Date

For information concerning this agreement contact:

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Office of Naval Research

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E-mail: linda.m.wood@navy.mil