



DEPARTMENT OF THE NAVY

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

Agreement Date: June 19, 2020

NEGOTIATION AGREEMENT

**INSTITUTION: MICHIGAN TECHNOLOGICAL UNIVERSITY
HOUGHTON, MICHIGAN 49931-1295**

The Fringe Benefits rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to Michigan Technological 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 Michigan Technological University's Fiscal Year 2021. This rate agreement supersedes all previous rate agreements/determinations related to these rates for Fiscal Year 2021.

Section I: RATES - TYPE: PREDETERMINED (PRED)

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Pred	7/1/20	6/30/21	40.0%	(a)	Regular Non-Student Employees	All
Pred	7/1/20	6/30/21	8.5%	(b)	Graduate Students	All
Pred	7/1/20	6/30/21	19.7%	(c)	Summer Faculty*	All
Pred	7/1/20	6/30/21	10.0%	(d)	Temporary Employees	All

DISTRIBUTION BASES

- (a) Non-Student Salary and Wages
- (b) Graduate Student Salary and Wages
- (c) Summer Faculty and Additional Compensation Salary and Wages
- (d) Temporary Employee Salary and Wages

*See Section II. Note E.

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 this 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 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. PREDETERMINED RATES: The predetermined rates contained in this agreement are not subject to adjustment in accordance with the provisions of 2 CFR Part 200, subject to the limitations contained in Part A of this section.

D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I were 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.

E. SPECIAL REMARKS: The Summer Faculty fringe rate is applicable to regular faculty members with summer appointments and to awarding-agency-approved intra-university consulting labor.

Accepted:

FOR MICHIGAN TECHNOLOGICAL
UNIVERSITY:



SUE KERRY
CFO & Senior Vice President for Admin.
& Treasurer of the Board of Trustees

FOR THE U.S. GOVERNMENT:



BETTY J. TINGLE
Contracting Officer

June 26, 2020

Date

Date

For information concerning this agreement contact:

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