



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

DCA Western Field Office
90 7th Street, Suite 4-600
San Francisco, CA 94103

APR 24 2009

Arnold B. Combe
VP for Administrative Services
University of Utah
201 South Presidents Circle
Room 408
Salt Lake City, UT 84112-9023

Dear Mr. Combe:

A copy of an indirect cost Negotiation Agreement is attached. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for indirect costs on grants and contracts with the Federal Government. Please have the Agreement signed by a duly authorized representative of your organization and return it to me BY FAX, retaining the copy for your files. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal together with supporting information are required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on your fiscal year ending 06/30/14, is due in our office by 12/31/14.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wallace Chan", is written above the printed name.

Wallace Chan
Director

Attachment

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY FAX

Apr. 24. 2009 10:48AM DIVISION OF COST ALLOCATION

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 87-6000525

DATE: April 22, 2009

INSTITUTION:University of Utah
201 South Presidents Circle
Room 408
Salt Lake City

UT 84112-9023

FILING REF.: The preceding
Agreement was dated
April 27, 2007

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: FACILITIES AND ADMINISTRATIVE COST RATES*

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

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
PRED.	07/01/11	06/30/13	49.5	On-Campus	Organized Research
PRED.	07/01/13	06/30/16	49.0	On-Campus	Organized Research
PRED.	07/01/11	06/30/16	26.0	Off-Campus	Organized Research
PRED.	07/01/11	06/30/16	52.2	On-Campus	Instruction
PRED.	07/01/11	06/30/16	26.0	Off-Campus	Instruction
PRED.	07/01/11	06/30/16	35.7	On-Campus	Instruction Training
PRED.	07/01/11	06/30/16	26.0	Off-Campus	Instruction Training
PRED.	07/01/11	06/30/16	32.7	On-Campus	Other Spon Act
PRED.	07/01/11	06/30/16	26.0	Off-Campus	Other Spon Act
PROV.	07/01/16 UNTIL AMENDED		Use same rates and conditions as those cited for fiscal year ending June 30, 2016.		

***BASE:**

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

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INSTITUTION:
University of Utah

AGREEMENT DATE: April 22, 2009

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

This organization charges the actual cost of each fringe benefit direct to Federal projects. However, it uses a fringe benefit rate which is applied to salaries and wages in budgeting fringe benefit costs under project proposals. The fringe benefits listed below are treated as direct costs.

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.

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.

DEFINITION OF ON/OFF CAMPUS

The On-Campus rate includes activities conducted at:

1. University of Utah owned facilities.
2. Rental facilities in Research Park.
3. Facilities at Old St. Mark's Hospital.
4. Medical Center also known as the Stangl Building.

The Off-Campus activities are defined as activities not listed above as on-campus or any activity conducted at a field location for a period of longer than 120 days. The distinction between on and off campus activities will be made in accordance with the proposal and based on actual cost incurred at the selected locations (on and off campus).

The 120 days off-campus definition does not apply to welfare training conducted by the University for the State of Utah. On-Campus course preparation and actual off-campus costs of instruction will be separately identified. The on-campus costs of instruction will be separately identified. The on-campus instruction rate will only be applied to the on-campus costs. The off-campus rate should be applied to the off-campus costs exclusive of facility rental costs regardless of who pays these costs.

The following fringe benefits are treated as direct costs:

FICA, WORKERS COMPENSATION, UNEMPLOYMENT, L-T DISABILITY, HEALTH/DENTAL/LIFE INSURANCE, AND RETIREMENT.

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SECTION III: GENERALA. 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 Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, 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.

BY THE INSTITUTION:

University of Utah

(INSTITUTION)

Arnold B. Combe

(SIGNATURE)

Arnold B. Combe

(NAME)

VP for Administrative Services

(TITLE)

4/27/09

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Wallace Chan

(SIGNATURE)

Wallace Chan

(NAME)

DIRECTOR, DIVISION OF COST ALLOCATION

(TITLE)

April 22, 2009

(DATE) 1103

MHS REPRESENTATIVE: Helen FungTelephone: (415) 437-7820

UNIVERSITY OF UTAH
FACILITIES AND ADMINISTRATIVE COST RATES
FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2016

ORGANIZATION RESEARCH		
JULY 1, 2011 THROUGH JUNE 30, 2013	JULY 1, 2013 THROUGH JUNE 30, 2016	
ON-CAMPUS OFF-CAMPUS	ON-CAMPUS OFF-CAMPUS	
3.6%	3.5%	
3.1%	3.0%	
13.2%	13.0%	
0.8%	0.8%	
2.8%	2.7%	
3.2%	3.2%	
17.6%	17.6%	
5.2%	5.2%	
26.0%	26.0%	26.0%
49.5%	26.0%	49.0%
		26.0%

BUILDING
EQUIPMENT
OPERATIONS & MAINTENANCE
INTEREST
LIBRARY
GENERAL ADMINISTRATION
DEPARTMENT ADMINISTRATION
SPONSORED PROJECT ADMINISTRATION
ADMINISTRATION COMPONENTS
TOTAL

INSTRUCTION & DEPARTMENTAL RESEARCH		
JULY 1, 2011 THROUGH JUNE 30, 2016	JULY 1, 2011 THROUGH JUNE 30, 2016	JULY 1, 2011 THROUGH JUNE 30, 2016
ON-CAMPUS OFF-CAMPUS	ON-CAMPUS OFF-CAMPUS	ON-CAMPUS OFF-CAMPUS
3.5%	1.2%	1.1%
1.4%	1.2%	1.0%
9.6%	5.0%	4.0%
0.3%	0.1%	0.1%
11.4%	2.2%	0.5%
3.1%	4.8%	5.3%
12.7%	16.2%	15.3%
3.3%	5.0%	5.4%
6.9%	26.0%	26.0%
26.0%	26.0%	26.0%
52.2%	35.7%	32.7%
		26.0%

BUILDING
EQUIPMENT
OPERATIONS & MAINTENANCE
INTEREST
LIBRARY
GENERAL ADMINISTRATION
DEPARTMENT ADMINISTRATION
SPONSORED PROJECT ADMINISTRATION
STUDENT SERVICES
ADMINISTRATION COMPONENTS
TOTAL

ADMINISTRATIVE COMPONENTS ARE CAPPED AT 26.0% IN ACCORDANCE WITH OMB A-21, DATED JULY 28, 1993.

CONCUR:

Barbara K. Nielsen
(SIGNATURE)

Associate Director for Compliance Accounting & Reporting
TITLE

04/27/2009
DATE

Post-it® Fax Note 7671

Date 4/27/09 # of pages 1

To Barbara Nielsen From Helen Fung

Co./Dept. Univ of Utah Co. DTHS/DCA

Phone # (801) 581-5989 Phone # (415) 437-7860

Fax # (801) 585-5257 Fax # (415) 437-7823