



**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 16, 2008

**NEGOTIATION AGREEMENT**

**INSTITUTION:** MICHIGAN TECHNOLOGICAL UNIVERSITY  
 HOUGHTON, MICHIGAN

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 220 (formerly Office of Management and Budget Circular A-21). These rates shall be used for forward pricing and billing purposes beginning with Michigan Technological University's Fiscal Year 2009.

**SECTION I: RATES - TYPE: PREDETERMINED (PRED)**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
Fringe Benefits Rates:						
PRED	7/1/08	6/30/09	45.20%	(a)	All	Base Rate for All Employees
PRED	7/1/08	6/30/09	8.75%	(b)	All	Graduate Students
PRED	7/1/08	6/30/09	20.20%	(c)	All	Summer Faculty

Distribution Bases

- (a) Non-Student Salary and Wages
- (b) Graduate Student Salary and Wages
- (c) Summer Faculty Salary and Wages

**SECTION II - GENERAL**

**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 or contract only to the extent that funds are available. Acceptance of the rates agreed to herein is predicated upon all of the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in this indirect cost pool as finally accepted and that 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

have been accorded consistent accounting treatment, and (4) that the information provided by the grantee/contractor which was used as a basis for acceptance of the rates agreed to herein, and expressly relied upon by the Government in establishing and accepting the said rates is not subsequently found to be materially incomplete or inaccurate.

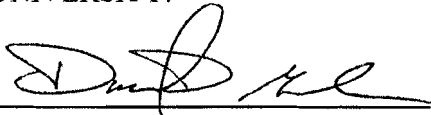
**B. ACCOUNTING CHANGES:** The provisional rates contained in Section I of this agreement are based on the accounting system in effect at the time the agreement was established. Changes to the method(s) of accounting for costs, which affect the amount of reimbursement resulting from the use of these rates, require the prior approval of the authorized representative of the cognizant negotiation agency. 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. USE BY OTHER FEDERAL AGENCIES:** The rates set forth in Section I were established in accordance with and under the authority set forth in 2 CFR 220. Accordingly, such rates shall be applied to the extent provided in such Circular to grants and contracts to which 2 CFR 220 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 which have or intend to issue or award sponsored agreements using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

**D. PREDETERMINED RATES:** The predetermined rates set forth in Section I of this agreement are not subject to adjustment in accordance with the provisions of 2 CFR 220, subject to the limitations contained in Part A of this section..

Accepted:

FOR THE MICHIGAN TECHNOLOGICAL  
UNIVERSITY:

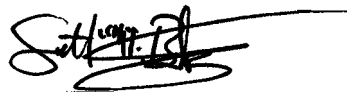


DANIEL D. GREENLEE  
Chief Financial Officer and Treasurer  
of the Board of Control

6-16-08

Date

FOR THE U.S. GOVERNMENT:



SCOTT M. BUKOVEC  
Contracting Officer

6/16/08

Date

*For information concerning this document contact:*

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