



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

Agreement Date: May 30, 2018

**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 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 2019. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2019.

**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	7/1/18	6/30/19	37.4%	(a)	Regular Non-Student Employees	All
Pred	7/1/18	6/30/19	8.6%	(b)	Graduate Students	All
Pred	7/1/18	6/30/19	20.5%	(c)	Summer Faculty*	All
Pred	7/1/18	6/30/19	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 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 recipient/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the recipient/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 recipient/contractor, 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. 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 hereof 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/or other agreements to which 2 CFR Part 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.

**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:

  
JULIE H. SEPPALA  
Vice President for Finance  
Treasurer of the Board of Trustees

05/31/2018  
Date

FOR THE U.S. GOVERNMENT:

  
SHEA D. KERSEY  
Contracting Officer

6/4/18  
Date

*For information concerning this agreement contact:*  
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