

## COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1316000989A1

DATE: 01/29/2015

ORGANIZATION:

FILING REF.: The preceding  
agreement was dated  
04/17/2014

University of Cincinnati

P.O. Box 210225

Cincinnati, OH 45221-0225

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.

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### SECTION I: INDIRECT COST RATES

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

#### EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2009	06/30/2012	57.00	On Campus	Organized Research
PRED.	07/01/2009	06/30/2012	57.00	On Campus	Instruction
PRED.	07/01/2009	06/30/2012	30.00	On Campus	Other Sponsored Activities
PRED.	07/01/2009	06/30/2012	26.00	Off Campus	All Programs
PRED.	07/01/2012	06/30/2013	57.00	On Campus	Organized Research
PRED.	07/01/2013	06/30/2015	58.50	On Campus	Organized Research
PRED.	07/01/2015	06/30/2016	58.00	On Campus	Organized Research
PRED.	07/01/2012	06/30/2016	56.00	On Campus	Instruction
PRED.	07/01/2012	06/30/2016	30.00	On Campus	Other Sponsored Activities
PRED.	07/01/2012	06/30/2016	26.00	Off Campus	All Programs

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PROV.	07/01/2016	Until Amended		Use same rates and conditions as those cited for FYE 06/30/2016.	

\*BASE

Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, 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). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

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**SECTION I: FRINGE BENEFIT RATES\*\***

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2014	6/30/2015	31.60	All	Faculty Group
FIXED	7/1/2014	6/30/2015	37.10	All	Exempt Group
FIXED	7/1/2014	6/23/2015	51.20	All	Non-Exempt Group
FIXED	7/1/2014	6/30/2015	17.50	All	Part-Time Group
FIXED	7/1/2014	6/30/2015	7.60	All	Student Group
FIXED	7/1/2015	6/30/2016	33.80	All	Faculty Group
FIXED	7/1/2015	6/30/2016	38.10	All	Exempt Group
FIXED	7/1/2015	6/30/2016	50.60	All	Non-Exempt Group
FIXED	7/1/2015	6/30/2016	19.10	All	Part-Time Group
FIXED	7/1/2015	6/30/2016	9.40	All	Student Group
PROV.	7/1/2016	6/30/2018			Use same rates and conditions as those cited for fiscal year ending June 30, 2016.

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) are listed below.

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 are not made for the cost of these paid absences.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s) the off-campus rate will apply. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

EQUIPMENT DEFINITION:

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

FRINGE BENEFITS:

FICA	TIAA/CREF
Retirement	Disability Insurance
Worker's Compensation	Life Insurance
Unemployment Insurance	Health Insurance
Tuition Remission-Employee	Dental Insurance
Extended Sick Leave	Termination Pay
Severance Allowance	

The next fringe benefit proposal based on actual cost for the fiscal year ending 06/30/2015, is due by 12/31/2015.

The next F&A rate proposal based on actual cost for the fiscal year ending 06/30/2015, is due by 12/31/2015.

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### SECTION III: GENERAL

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A. 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, 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.

E. OTHER:

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:

University of Cincinnati

\_\_\_\_\_  
(INSTITUTION)

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(NAME)

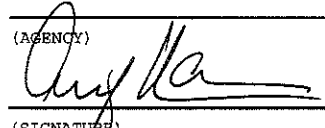
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(TITLE)

\_\_\_\_\_  
(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

\_\_\_\_\_  
(AGENCY)

  
\_\_\_\_\_  
(SIGNATURE)

Arif Karim

\_\_\_\_\_  
(NAME)

Director, Cost Allocation Services

\_\_\_\_\_  
(TITLE)

1/29/2015

\_\_\_\_\_  
(DATE) 5112

HHS REPRESENTATIVE: Denise Shirlee

Telephone: (214) 767-3261



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

1301 Young Street, Room 732  
Dallas, TX 75202  
PHONE: (214) 767-3261  
FAX: (214) 767-3264  
EMAIL: CAS-Dallas@psc.hhs.gov

January 29, 2015

Mr. Patrick Clark  
Director, Government Cost Compliance  
University of Cincinnati  
PO Box 210225  
Cincinnati, Ohio 45221-0225

Dear Mr. Clark:

A copy of a facilities and administrative cost (F&A) and fringe benefit (FB) Rate Agreement are being faxed to you for your signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the F&A and FB rates that may be used to support your claim for these indirect costs on grants and contracts with the Federal Government.

Please have the Agreement signed by an authorized representative of your organization and fax or email to me, retaining the copy for your files. Our fax number is (214) 767-3264 and email address is [Denise.Shirlee@psc.hhs.gov](mailto:Denise.Shirlee@psc.hhs.gov). We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

The Office of Management and Budget (OMB) has requested that we reach an agreement with each institution on components for the published F&A cost rates. The attached form(s) are provided for that purpose. Please sign the form(s) and return them with the Agreement.

In addition, the Fixed Fringe Benefit cost rate(s) for the fiscal year ending June 30, 2015 are based on actual costs for the fiscal year ended June 30, 2013 and FB cost rate(s) for the fiscal year ending June 30, 2016 are based on actual costs for the fiscal year ended June 30, 2014 over-recovered (-) or under-recovered (+) amounts are listed below:

		<u>2013/2015</u>	<u>2014/2016</u>
Faculty Group	- Over/Under recovery	1,839,342	(2,105,068)
Exempt Group	- Over/Under recovery	1,181,166	(2,873,377)
Non-Exempt Group	- Over/Under recovery	(799,943)	(279,939)
Part-Time Group	- Over/Under recovery	868,078	736,828
Student Group	- Over/Under recovery	(177,574)	(476,649)

The fixed rate(s) for fiscal year ended 2013 and 2014 is considered final.

Mr. Patrick Clark  
January 29, 2015  
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A Fringe Benefit cost proposal, together with supporting information and the certified audit financial statement, is required each year. Thus, your next Fringe Benefit cost proposal based on actual costs for the fiscal year ending June 30, 2015 is due in our office by December 31, 2015.

An F&A cost proposal, together with supporting information, are required to substantiate your claim for F&A costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending June 30, 2015 is due in our office by December 31, 2015.

Since this is an integral part of the Negotiation Agreement, please note your acceptance by signing in the space provided below.

Thank you for your cooperation.

Sincerely,



Arif Karim  
Director  
Cost Allocation Services

Enclosures

**ACCEPTANCE**

University of Cincinnati

(Institution)

(Signature)

(Name)

(Title)

(Date)

OFFICIAL NOTIFICATION  
New Procedures for Submitting  
College and University Facilities & Administrative Rate Proposals

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**NAME CHANGE:**        **From Division of Cost Allocation to Cost Allocation Services (CAS)**

This is to officially notify you that CAS has implemented an automated Document Management and Workflow System (eFlow). The eFlow System is designed to capture Facilities & Administration (F&A) rate proposals (and if applicable, associated fringe rate proposals) along with other supporting documents electronically by email or scanning. CAS implemented this system to enhance the efficiency and productivity of our review process, in compliance with the Paper Reduction Act. Additionally, transitioning to eFlow eliminates barriers associated with paper documents in the new era of electronic transmission.

Effective immediately, all F&A rate proposals together with supporting information should be submitted electronically to your respective regional office at the following email address: [CAS-Dallas@psc.hhs.gov](mailto:CAS-Dallas@psc.hhs.gov). For those organizations not having the capability to submit their proposals electronically, you may submit a hardcopy via mail for scanning into the eFlow System. However, an electronic submission is preferred.

**Please note that effective January 2015 all organizations will be required to submit electronically.**

The preferred electronic format is two separate PDF files, as follows:

1. Single PDF file titled "Proposal" containing the entire proposal, including the transmittal letter, checklists, required certification, and reconciliation/support schedules. This file should not include the supporting financial data (e.g. audited financial statements, Single Audit, etc.)
2. Separate single PDF file titled "Financial Statements", containing the applicable financial data (e.g. audited financial statements, Single Audit, etc.) upon which the rates are based.

Note: If the organization proposes a fringe benefit rate, it should be submitted as a separate e-mail and separate proposal PDF attachment.

Due to our email server limitations, we cannot receive e-mails exceeding 25MB (including all attachments). Therefore, if the proposal and financial statements together exceed 25 MB, please mail a CD or flash drive containing the electronic files. This is the preferred option for very large proposals.

If you have any questions concerning the next submittal of your F&A rate proposal, or have problems forwarding your documents electronically, please contact us at (214) 767-3261.