



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Service  
Division of Cost Allocation

Room 732  
1301 Young Street  
Dallas, TX 75202  
PHONE: (214) 767-3261  
FAX: (214) 767-3264

February 6, 2014

Mr. Kinfe Kevin Redda  
Professor and Interim Vice President for Research  
Florida Agricultural and Mechanical University  
400 Foote-Hilyer Administration Center  
Tallahassee, FL 32307-3200

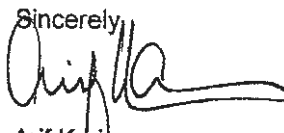
Dear Mr Redda:

A copy of your Facilities and Administrative (F&A) cost Rate Agreement is being faxed to you for signature. 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.

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.

Please have the original signed by an authorized representative of your organization and fax it to me, retaining the copy for your files. Our fax number is 214-767-3264. 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 the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2017 is due in our office by 12/31/2017.

Sincerely  
  
Arif Karim  
Director  
Division of Cost Allocation

Enclosures

PLEASE SIGN AND FAX A COPY OF THE RATE AGREEMENT

FLORIDA A&M UNIVERSITY  
2014 FEB 26 P 12:47  
DIVISION OF RESEARCH  
OFFICE OF  
SPONSORED PROGRAMS  
HUMAN SERVICES  
ADMINISTRATIVE

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN: 1590977035A1

DATE:02/06/2014

ORGANIZATION:

FILING REF.: The preceding agreement was dated 11/30/2012

Florida Agricultural and Mechanical University  
400 Foote-Hilyer Administration Center  
Tallahassee, FL 32307-3200

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: Facilities And Administrative 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.	07/01/2013	06/30/2014	46.00	On-Campus	Organized Research
PRED.	07/01/2014	06/30/2018	48.00	On-Campus	Organized Research
PRED.	07/01/2013	06/30/2018	26.00	Off-Campus	Organized Research
PRED.	07/01/2013	06/30/2014	37.00	On-Campus	Research Agriculture
PRED.	07/01/2014	06/30/2018	39.00	On-Campus	Research Agriculture
PRED.	07/01/2013	06/30/2018	26.00	Off-Campus	Research Agriculture
PRED.	07/01/2013	06/30/2018	56.00	On-Campus	Instruction
PRED.	07/01/2013	06/30/2018	26.00	Off-Campus	Instruction
PRED.	07/01/2013	06/30/2018	42.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2013	06/30/2018	26.00	Off-Campus	Other Sponsored Activities

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ORGANIZATION: Florida Agricultural and Mechanical University

AGREEMENT DATE: 2/6/2014

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%) LOCATION</u>	<u>APPLICABLE TO</u>
PROV.	07/01/2018	06/30/2020		Use same rates and conditions as those cited for fiscal year ending June 30, 2018.

\*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, student 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.

ORGANIZATION: Florida Agricultural and Mechanical University

AGREEMENT DATE: 2/6/2014

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits 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-SITE DEFINITION: For all activities performed in facilities not owned by organization and to which rent is directly allocated to the project(s), the off-site rate will apply. Grants or contracts will no be subject to more than one indirect cost rate. If more than 50% of a project is performed off-site, the off-site rate will apply to the entire project.

Fringe Benefits Include: Retirement, FICA, Health Insurance, Life Insurance, Worker's Compensation, Health Insurance and Termination Pay (annual and sick leave).

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.

The next indirect cost proposal based on actual costs for the fiscal year ending 06/30/2017, is due by 12/31/2017.

ORGANIZATION: Florida Agricultural and Mechanical University

AGREEMENT DATE: 2/6/2014

**SECTION III: GENERAL**

**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:

Florida Agricultural and Mechanical University

(INSTITUTION)

(SIGNATURE)

Kinfe Ken Redda, Ph.D.

(NAME)

Interim Vice President for Research

(TITLE)

2/26/2014

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Arif Karim

(NAME)

Director, Division of Cost Allocation

(TITLE)

2/6/2014

(DATE) 7995

MHS REPRESENTATIVE: Ernest Kinneer

Telephone: (214) 767-3261

**COMPONENTS OF PUBLISHED F&A COST RATE**

INSTITUTION: **Florida Agricultural and Mechanical University**


FY COVERED BY RATE: **JULY 1, 2013 through JUNE 30, 2018**

APPLICABLE TO: **ORGANIZED RESEARCH**

RATE COMPONENT:	<u>FY 14</u> <u>ON CAMPUS</u>	<u>FY 15-18</u> <u>ON CAMPUS</u>	<u>OFF CAMPUS</u>
Building Depreciation	1.9	2.1	
Equipment Depreciation	2.1	2.4	
Interest	4.1	4.5	
Operation & Maintenance	9.6	10.7	
Library	2.3	2.3	
Administration	26.0	26.0	26.0
<b>TOTAL</b>	<u>46.0</u>	<u>48.0</u>	<u>26.0</u>

**CONCURRENCE:**

Florida Agricultural and Mechanical University  
(Institution)

  
(Signature)

Kinfe Ken Redda, Ph.D.  
(Name)

Interim Vice President for Research  
(Title)

2/26/2014  
(Date)