

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 161603363

DATE: 05/01/2017

ORGANIZATION:

FILING REF.: The preceding agreement was dated 02/04/2015

University of Kentucky
Office of the Treasurer
301 Peterson Service Building
Lexington, KY 40506-0005

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: INDIRECT COST RATES

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.	07/01/2016	06/30/2017	50.50	On-Campus	Organized Research (A)
PRED.	07/01/2017	06/30/2020	53.00	On-Campus	Organized Research (A)
PRED.	07/01/2016	06/30/2020	26.00	Off-Campus	Organized Research (A)
PRED.	07/01/2016	06/30/2017	40.00	On-Campus	Agriculture Research (B)
PRED.	07/01/2017	06/30/2020	45.00	On-Campus	Agriculture Research (B)
PRED.	07/01/2016	06/30/2017	20.00	Off-Campus	Agriculture Research (B)
PRED.	07/01/2017	06/30/2020	26.00	Off-Campus	Agriculture Research (B)
PRED.	07/01/2016	06/30/2020	46.00	On-Campus	Instruction
PRED.	07/01/2016	06/30/2020	26.00	Off-Campus	Instruction
PRED.	07/01/2016	06/30/2017	31.50	On-Campus	Other Sponsored Activities
PRED.	07/01/2017	06/30/2020	34.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2016	06/30/2017	21.60	Off-Campus	Other Sponsored

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2017	06/30/2020	26.00	Off-Campus	Other Sponsored Activities
PROV.	07/01/2020	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

*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, participant support costs, 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.

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SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2017	6/30/2018	2.80	All	Full Time Faculty
FIXED	7/1/2017	6/30/2018	3.00	All	Full Time Staff
FIXED	7/1/2017	6/30/2018	0.70	All	Other (A)
PROV.	7/1/2018	Until amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2018.

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

(A) Rate applicable to Part-time employees, students, Civil Service employees, House-staff employees and Post-docs.

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SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The following fringe benefits are specifically identified to each employee and are charged individually as direct costs. They are: FICA; Life Insurance, Health Insurance and ~~FICA/CRBF~~ retirement. *W*

The following fringe benefits are charged via the Fringe Benefit rates listed in Section I, they are; Disability, Workers' Compensation, Employee Education, Supplemental Retirement Income, Post Retirement Benefits, Wellness, Unemployment, Terminal Vacation and Terminal Sick Leave.

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-site rate will apply to the entire project. Grants or contracts will not 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.

This Agreement applies to the University of Kentucky and the University of Kentucky Research Foundation.

APPLICATION OF INDIRECT COST RATES TO DOD CONTRACTS/SUBCONTRACTS:

In accordance with DFARS 2231.303, no limitation (unless waived by the institution) may be placed on the reimbursement of otherwise allowable indirect cost rates incurred by an institution of higher education under a DOD contract awarded on or after November 30, 1993, unless the same limitation is applied uniformly to all other organizations performing similar work. It has been determined by the department of Defense that such limitation is not being uniformly applied. Accordingly, the following rates do not reflect the application of the 26% limitation on administrative indirect costs imposed by OMB 2 CFR 200.

PRED. 07/01/2017 to 06/30/2020 55.00% On-Campus Organized Research (A)

PRED. 07/01/2017 to 06/30/2020 28.70% Off-Campus Organized Research (A)

PROV. 07/01/2020 to Until Amended - Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

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

**THIS RATE AGREEMENT UPDATES SECTION I INDIRECT COSTS RATES and SECTION I FRINGE BENEFIT RATES. THE NEXT F&A RATE PROPOSAL, FOR FISCAL YEAR ENDING 06/30/2019, IS DUE IN OUR OFFICE BY 12/31/2019. THE NEXT FRINGE BENEFIT RATE PROPOSAL, FOR FISCAL YEAR ENDING 06/30/2017, IS DUE IN OUR OFFICE BY 12/31/2017.

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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 Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, 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 Kentucky

(INSTITUTION)

(SIGNATURE)

Eric N. Monday

(NAME)

Executive Vice President for
Finance and Administration

(TITLE)

062617

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes - A

Digitally signed by Darryl W. Mayes - A
DN: cn=US, ou=U.S. Government, ou=HHS, ou=PSC,
ou=People, o=2342192030010011, 1=2000131669,
cn=Darryl W. Mayes - A
Date: 2017.06.21 09:00:17 -0400

(SIGNATURE)

for

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

5/1/2017

(DATE) 9601

HHS REPRESENTATIVE:

Joel McKenzie

Telephone:

(214) 767-3261