



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

7700 Wisconsin Avenue, Suite 2300
Bethesda, MD 20814
Phone: 301-492-4855
Fax: 301-492-5081

ORIGINAL

July 6, 2011

Mr. Michael McKee
University Controller
University of Florida
Finance & Accounting Division
111 Tiger Hall, PO Box 113200
Gainesville, FL 32611-3200

Dear Mr. McKee:

A copy of the facilities and administrative (F&A) cost Rate Agreement is being mailed to you for your 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 F&A and fringe benefit costs on grants and contracts with the Federal Government.

In addition, both parties agree that the differences between the fixed and actual fringe benefit costs for the fiscal year ended June 30, 2010 are:

- Under-recovery of \$2,085,834 applicable to Clinical Faculty
- Under-recovery of \$1,794,865 applicable to Faculty
- Under-recovery of \$1,110,547 applicable to TEAMS/USPS Exempt
- Under-recovery of \$2,395,167 applicable to TEAMS/USPS Hourly
- Under-recovery of \$1,974,820 applicable to Housestaff & Post Docs
- Over-recovery of \$1,505,049 applicable to Graduate Assistants
- Under-recovery of \$344,377 applicable to Other OPS/Temp Faculty
- Under-recovery of \$103,323 applicable to Student OPS/FWSP

These amounts are included in your fixed fringe benefit rates for the fiscal year ending June 30, 2012 which are listed in the attached Rate Agreement.

Please have the agreement signed by an authorized representative of your organization and send to me, retaining a copy for your files. We will reproduce and distribute the Rate Agreement to the appropriate awarding organizations of the Federal Government for their use.

Mr. McKee
July 6, 2011
Page 2

A fringe benefit proposal, together with the required supporting information, must be submitted to this office for each fiscal year in which your organization claims fringe benefits under grants and contracts awarded by the Federal Government. Therefore, your next fringe benefit proposal for the fiscal year ending June 30, 2011, will be due in our office by December 31, 2011.

Sincerely,



Darryl W. Mayes
Director, Mid-Atlantic Field Office
Division of Cost Allocation

CONCURRENCE:

University of Florida
(Institution)

Michael V. McKee
(Signature)

Michael V. McKee
(Name)

Assistant VP & Univ. Controller
(Title)

7/22/2011
(Date)

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 59-6002052

DATE: 07/06/2011

ORGANIZATION:

FILING REF.: The preceding agreement was dated 06/18/2010

University of Florida
 Finance & Accounting Division 111
 Tigert Hall - PO Box 113200
 Gainesville, FL 32611-3200

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.

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>
FINAL	07/01/2005	06/30/2006	45.50	On-Campus	Organized Research
PRED.	07/01/2006	06/30/2010	46.50	On-Campus	Organized Research
FINAL	07/01/2005	06/30/2006	26.00	Off-Campus	Organized Research
PRED.	07/01/2006	06/30/2010	26.00	Off-Campus	Organized Research
FINAL	07/01/2005	06/30/2006	46.40	On-Campus	AREC (A)
PRED.	07/01/2006	06/30/2010	46.40	On-Campus	AREC (A)
FINAL	07/01/2005	06/30/2006	25.00	Off-Campus	AREC (A)
PRED.	07/01/2006	06/30/2010	25.00	Off-Campus	AREC (A)
FINAL	07/01/2005	06/30/2006	33.60	On-Campus	Other Spons Activity
PRED.	07/01/2006	06/30/2010	33.60	On-Campus	Other Spons Activity
FINAL	07/01/2005	06/30/2006	26.00	Off-Campus	Other Spons Activity
PRED.	07/01/2006	06/30/2010	26.00	Off-Campus	Other Spons Activity
FINAL	07/01/2005	06/30/2006	50.00	On-Campus	Instruction
PRED.	07/01/2006	06/30/2010	50.00	On-Campus	Instruction
FINAL	07/01/2005	06/30/2006	26.00	Off-Campus	Instruction

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2006	06/30/2010	26.00	Off-Campus	Instruction
PROV.	07/01/2010	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2010.

*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.

(A) Agriculture Research and Education Center and Florida Medical Entomology Lab within the Institute of Food and Agriculture Science.

ORGANIZATION: University of Florida

AGREEMENT DATE: 07/06/2011

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	7/1/2011	6/30/2012	22.50	All	Clinical Faculty
FIXED	7/1/2011	6/30/2012	26.90	All	Faculty
FIXED	7/1/2011	6/30/2012	30.00	All	TEAMS Exempt
FIXED	7/1/2011	6/30/2012	40.80	All	TEAMS Hourly
FIXED	7/1/2011	6/30/2012	31.40	All	HousStf/Cln PDocs
FIXED	7/1/2011	6/30/2012	8.30	All	GradAsst/Reg PDocs
FIXED	7/1/2011	6/30/2012	2.60	All	OPS/Temp Faculty
FIXED	7/1/2011	6/30/2012	3.10	All	Student OPS/FWSP
PROV.	7/1/2012	Until amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2012.

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

ORGANIZATION: University of Florida

AGREEMENT DATE: 07/06/2011

SECTION II: SPECIAL REMARKS

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. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

Fringe Benefits include: FICA, State Unemployment, Workers' Compensation, Retirement, Life Insurance, Health Insurance, Leave Cash Outs, Sick Leave Pool Payments, Clinical Disability Insurance and Parental Leave Program.

Equipment means an article of nonexpendable tangible personal property having a useful life of more than one year, and an acquisition cost of \$1,000 or more per unit.

The rates contained in this Agreement reflect the combined cost of the University of Florida and The University of Florida Research Foundation, Inc., and will apply to grants and contracts awarded to the 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 Circular A-21.

TYPE	Effective Period	Rate(%)	Locations	Applicable To
FINAL	07/01/05-06/30/06	47.5%	On-Campus	Orgn Research
PRED.	07/01/06-06/30/10	48.5%	On-Campus	Orgn Research
FINAL	07/01/05-06/30/06	28.0%	Off-Campus	Orgn Research
PRED.	07/01/06-06/30/10	28.0%	Off-Campus	Orgn Research
PROV.	07/01/10-Until Amended		Use same rates and conditions as those cited for fiscal year ended June 30, 2010.	

THIS AGREEMENT UPDATES THE FRINGE BENEFITS SECTION ONLY.

ORGANIZATION: University of Florida

AGREEMENT DATE: 07/06/2011

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 Circular, 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 Florida

(INSTITUTION)

Michael V. McKee

(SIGNATURE)

Michael v. mckee

(NAME)

Assistant VP & Univ. Controller

(TITLE)

7/22/2011

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes

(SIGNATURE)

Darryl W. Mayes

(NAME)

Director, Mid-Atlantic Field Office

(TITLE)

7/6/2011

(DATE) 0301

HHS REPRESENTATIVE: Steven Zuraf

Telephone: (301) 492-4855