

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN:  
 ORGANIZATION:  
 Northern Arizona University  
 P.O. Box 4069  
 Flagstaff, AZ 86011-4070

DATE: 03/16/2017  
 FILING REF.: The preceding  
 agreement was dated  
 02/07/2013

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: Facilities And Administrative 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.	07/01/2017	06/30/2021	52.00	On-Campus	Organized Research
PRED.	07/01/2017	06/30/2021	26.00	Off-Campus	Organized Research
PRED.	07/01/2017	06/30/2021	51.20	On-Campus	Instruction
PRED.	07/01/2017	06/30/2021	26.00	Off-Campus	Instruction
PRED.	07/01/2017	06/30/2021	30.90	On-Campus	Other Sponsored Activities
PRED.	07/01/2017	06/30/2021	26.00	Off-Campus	Other Sponsored Activities
PROV.	07/01/2021	Until Amended	Use same rates and conditions as those cited for fiscal year ending June 30, 2021.		

\*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: Northern Arizona University

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

This organization charges the actual cost of each fringe benefit direct to Federal projects. However, it uses a fringe benefit rate which is applied to salaries and wages in budgeting fringe benefit costs under project proposals. The following fringe benefits are treated as direct costs:  
FICA, WORKERS COMPENSATION, HEALTH/DENTAL INSURANCE, BASIC LIFE INSURANCE, UNEMPLOYMENT INSURANCE, LONG-TERM DISABILITY, PENSION PLAN, AND RETIREE ACCUMULATED 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 AND APPLICATION

The off-campus rate is applicable to those projects conducted in facilities not owned or leased by the University. However, if the project is conducted in leased space and lease costs are directly charged to the project, then the off-campus rate must be used. A project is considered off-campus if more than 50% of its salaries and wages are incurred at an off-campus facility. If a project is determined to be off-campus, it shall be considered wholly off-campus. Separate on and off-campus rates will not be used for a single project.

DEFINITION OF EQUIPMENT

Equipment is defined as tangible non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

The four-year extension of the indirect cost rate was granted in accordance with 2 CFR 200.414(g).

NEXT PROPOSAL DUE DATE

A proposal based on actual costs for fiscal year ending 6/30/2020 will be due no later than 12/31/2021.

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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:

Northern Arizona University

(INSTITUTION)

*Bjorn Flugstad*

(SIGNATURE)

**Bjorn FLUGSTAD**

(NAME)

**VICE PRESIDENT, CFO**

(TITLE)

**3/29/17**

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

**Arif M. Karim -A**

Digitally signed by Arif M. Karim -A  
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,  
ou=People, cn=Arif M. Karim -A  
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Date: 2017.03.28 19:13:58 -0500

(SIGNATURE)

**Arif Karim**

(NAME)

**Director, Cost Allocation Services**

(TITLE)

**3/16/2017**

(DATE) 0159

HHS REPRESENTATIVE:

**Helen Fung**

Telephone:

**(415) 437-7820**

March 23, 2023

MEMO 

Re: **Interim F&A Rate Applicable to Industry/For-Profit Sponsored Projects**

This memo applies to all sponsored projects administered by NAU where the sponsoring entity is an industry or for-profit organization and is effective immediately for new proposals.

**The rate is 67% of MTDC (modified total direct costs) regardless of activity type or project location. There are no exceptions to this rate.**

As per all other NAU F&A rate categories, MTDC consists 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.

Proposals to industry which involve federal flow-through funds should not use this rate.