



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

DCA Western Field Office
90 7th Street, Suite 4-600
San Francisco, CA 94103
PHONE: (415) 437-7820
FAX: (415) 437-7823
E-MAIL: dcast@psc.hhs.gov

SEP 10 2013

Michael S. Cover
Treasurer and Controller
Bucknell University
Office of Finance
Lewisburg, PA 17837

Dear Mr. Cover:

A copy of an indirect cost/fringe benefit Negotiation Agreement is attached. 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/fringe benefit costs on grants and contracts with the Federal Government. Please have the Agreement signed by a duly authorized representative of your organization and return it to me BY EMAIL OR FAX, retaining the copy for your files. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost and fringe benefit proposal together with supporting information are required to substantiate your claim for costs under grants and contracts awarded by the Federal Government. Thus, your next proposals based on your fiscal year ending 06/30/16, are due in our office by 12/31/16.

Sincerely,

A handwritten signature in black ink, appearing to read "Arif Karim", written over a horizontal line.

Arif Karim, Director
Division of Cost Allocation

Attachment

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL OR FAX

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 240772407

DATE:08/27/2013

ORGANIZATION:

FILING REF.: The preceding
agreement was dated
06/21/2010

Bucknell University

Office of Finance

Lewisburg, PA 17837

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.	07/01/2013	06/30/2017	52.00	On-Campus	All Programs
PRED.	07/01/2013	06/30/2017	15.40	Off-Campus	All Programs
PROV.	07/01/2017	06/30/2018	52.00	On-Campus	All Programs
PROV.	07/01/2017	06/30/2018	15.40	Off-Campus	All Programs

*BASE

Direct salaries and wages including all fringe benefits.

ORGANIZATION: Bucknell University

AGREEMENT DATE: 8/27/2013

SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	7/1/2013	6/30/2017	31.60	All	Full-Time Employees
PRED.	7/1/2013	6/30/2017	6.90	All	Part-Time Employees
PROV.	7/1/2017	6/30/2018	31.60	All	Full-Time Employees
PROV.	7/1/2017	6/30/2018	6.90	All	Part-Time Employees

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

ORGANIZATION: Bucknell University

AGREEMENT DATE: 8/27/2013

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-SITE DEFINITION: For all activities performed in facilities not owned by the organization and to which rent is directly allocated to the project(s), the off-site rate will apply. 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.

Fringe Benefits include: FICA, Retirement, Health Care, Long-Term Disability, Unemployment Insurance, Tuition Remission and Postretirement Benefits (FAS 106 Health Care).

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.

ORGANIZATION: Bucknell University

AGREEMENT DATE: 8/27/2013

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:

Bucknell University

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Arif Karim

(NAME)

Director, Division of Cost Allocation

(TITLE)

8/27/2013

(DATE) 0699

HHS REPRESENTATIVE:

Jeanette Lu

Telephone:

(415) 437-7820