



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

7700 Wisconsin Avenue, Suite 2301
Bethesda, MD 20814
PHONE: (301) 492-4855
FAX: (301) 492-5081
EMAIL: CAS-Bethesda@psc.hhs.gov

June 29, 2023

Ms. Velma G. Stamp
Director, Grants and Contracts Accounting
Medical University of South Carolina
19 Hagood Avenue, Suite 608
P.O. Box 25086
Charleston, SC 29425-1024

Dear Ms. Stamp:

A copy of the F&A Rate Agreement is being mailed to you. 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 overhead 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, 2022 are:

- Over-recovery of \$42,329 applicable to Staff
- Under-recovery of \$51,238 applicable to Post-Doctorate
- Over-recovery of \$9,708 applicable to Temporary Employees
- Under-recovery of \$23,606 applicable to Students

These amounts are included in your fixed fringe benefit rates for the fiscal year ending June 30, 2024 which are listed in the attached Rate Agreement.

To indicate your concurrence with the understanding cited above, please have this letter and the attached agreement signed by an authorized representative of your organization and organization and return to CAS-Bethesda@psc.hhs.gov, 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.

Ms. Stamp
June 29, 2023
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Fringe benefit cost proposals, together with the supporting information, are required to substantiate your claim for fringe benefit costs under grants and contracts awarded by the Federal Government. Therefore, your next fringe benefit proposal based on actual costs for fiscal year ending 06/30/2023 is due in our office by 12/31/2023. This proposal should be submitted via email to CAS-Bethesda@psc.hhs.gov.

Sincerely,

Darryl W.

Mayes -S

Darryl W. Mayes

Deputy Director

Division of Cost Allocation

Digitally signed by Darryl W.
Mayes -S
DN: c=US, o=U.S. Government,
ou=HHS, ou=PSC, ou=People,
0.9.2342.19200300.100.1.1=2000
131669, cn=Darryl W. Mayes -S
Date: 2023.07.03 08:50:58 -04'00'

CONCURRENCE:

Medical University of South Carolina
(Institution)

Patrick J. Wamsley
(Signature)

PATRICK J. WAMSLEY
(Name)

CFO
(Title)

7/6/2023
(Date)

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1576000722A2

ORGANIZATION:

Medical University of South Carolina

Grants and Contracts Accounting

1 South Park Circle

Building #1, Suite 502

Charleston, SC 29407

Date: 06/29/2023

FILING REF.: The preceding
agreement was dated

12/07/2022

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)					
TYPE	EFFECTIVE PERIOD		RATE(%)	LOCATION	APPLICABLE TO
	FROM	TO			
PRED.	07/01/2022	06/30/2023	51.00	On-Campus	Organized Research
PRED.	07/01/2019	06/30/2023	40.00	On-Campus	Instruction
PRED.	07/01/2019	06/30/2023	33.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2019	06/30/2023	26.00	Off-Campus	All Programs
PRED.	07/01/2023	06/30/2027	51.00	On-Campus	Organized Research
PRED.	07/01/2023	06/30/2027	40.00	On-Campus	Instruction
PRED.	07/01/2023	06/30/2027	33.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2023	06/30/2027	26.00	Off-Campus	All Programs
PROV.	07/01/2027	Until Amended			Use same rates and conditions as those cited for fiscal year ending Jun 30, 2027

*BASE

Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

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	7/1/2022	6/30/2023	40.60	All	Staff
FIXED	7/1/2022	6/30/2023	30.60	All	Post-Docs
FIXED	7/1/2022	6/30/2023	32.70	All	Temp Faculty/Temp Non-Faculty
FIXED	7/1/2022	6/30/2023	8.30	All	Students
FIXED	7/1/2023	6/30/2024	44.60	All	Staff
FIXED	7/1/2023	6/30/2024	38.10	All	Post-Docs
FIXED	7/1/2023	6/30/2024	34.30	All	Temp Faculty/Temp Non-Faculty
FIXED	7/1/2023	6/30/2024	8.90	All	Students
PROV.	7/1/2024	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2024.

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

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: The off-campus rate will apply for all activities: a) Performed in facilities not owned by the institution and where these facility costs are not included in the F&A pools; or b) Where rent is directly allocated/charged to the project(s). Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

This rate agreement updates the Fringe Benefits section only.

Fringe Benefits include: FICA/Medicare, Retirement, Deferred Compensation, Health & Dental Insurance, Unemployment Insurance, Workers Compensation, Termination Pay, Employee Tuition Assistance, Sabbatical Leave, Employee Assistance Program and Employee Health Services.

Effective October 1, 2005, the rates in this agreement are also applicable to grants and contracts awarded to the University of South Carolina Research Foundation (USCRF).

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 costs 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.

PRED. 07/01/2019 to 06/30/2027 52.5% On-Campus Organized Research

PRED. 07/01/2019 to 06/30/2027 29.5% Off-Campus Organized Research

PROV. 07/01/2027 Until Amended Use the same rates and conditions as FYE 06/30/2027.

The next indirect cost rate proposal based on actual results of fiscal year ending June 30, 2026 is due in our office by December 31, 2026. The next fringe benefit proposal for fiscal year ending June 30, 2023 is due in our office by December 31, 2023.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$5,000.

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 indirect cost pool 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 indirect 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 indirect 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 indirect 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 indirect costs allocable to these programs.

BY THE INSTITUTION:

Medical University of South Carolina

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

ON BEHALF OF THE GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes -S

(SIGNATURE)

Darryl W. Mayes

(NAME)

Deputy Director, Cost Allocation Services

(TITLE)

06/29/2023

(DATE)

HHS REPRESENTATIVE: Steven Zuraf

TELEPHONE: (301) 492-4855