



DEPARTMENT OF HEALTH & 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

MAY 04 2011

Richard Porreca
Senior Vice Chancellor & CFO
University of Colorado, Boulder
914 Broadway, 90 UCB
Boulder, CO 80309

Dear Mr. Porreca:

A copy of an indirect cost/fringe benefits 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 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 benefits rate 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 indirect cost proposal based on your fiscal year ending June 30, 2012 is due in our office by December 31, 2012, and your next fringe benefits proposal based on fiscal year ending June 30, 2011 is due by December 31, 2011.

Sincerely,

Wallace Chan
Director

Attachment

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY FAX

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN:

DATE: 05/03/2011

ORGANIZATION:

FILING REF.: The preceding agreement was dated 05/21/2010

University of Colorado-Boulder Office of the Sr Vice Chancellor & CFO
914 Broadway, 90 UCB
Boulder, CO 80309

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.	07/01/2010	06/30/2011	51.50	On-Campus	Organized Res.
PRED.	07/01/2011	06/30/2013	52.50	On-Campus	Organized Res.
PRED.	07/01/2010	06/30/2013	26.00	Off-Campus	Organized Res.
PRED.	07/01/2010	06/30/2013	50.50	On-Campus	Instruction
PRED.	07/01/2010	06/30/2013	26.00	Off-Campus	Instruction
PRED.	07/01/2010	06/30/2011	41.00	All	(1)
PRED.	07/01/2011	06/30/2013	41.50	All	(1)
PROV.	07/01/2013	Until Amended		(2)	

***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 a portion of each subgrant and subcontract in excess of \$25,000.

- (1) Lab for Atmospheric and Space Physics
- (2) Use same rates and conditions as those cited for fiscal year ending 06/30/13.

ORGANIZATION: University of Colorado-Boulder Office of the Sr Vice
Chancellor & CFO

AGREEMENT DATE: 05/03/2011

SECTION I: FRINGE BENEFIT RATES**

TYPE	FROM	TO	RATE(%)	LOCATION	APPLICABLE TO
FIXED	7/1/2011	6/30/2012	31.10	All (A)	(2)
FIXED	7/1/2011	6/30/2012	26.20	All (A)	Regular Fac.
FIXED	7/1/2011	6/30/2012	12.70	All (A)	(3)
FIXED	7/1/2011	6/30/2012	8.10	All (A)	Student Fac.
FIXED	7/1/2011	6/30/2012	0.90	All (A)	Hourly
FIXED	7/1/2011	6/30/2012	22.10	LASP(1) (B)	Prof. Research

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

(A) Salaries and wages including vacation, holiday, sick leave pay and other paid absences.

(B) Salaries and wages excluding vacation, holiday, sick leave pay and other paid absences.

- (1) Lab for Atmospheric and Space Physics leave benefit rate
- (2) Professional F/T & Classified Staff Permanent
- (3) Professional P/T & Classified Staff Temporary

ORGANIZATION: University of Colorado-Boulder Office of the Sr
Vice Chancellor & CFO

AGREEMENT DATE: 05/03/2011

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

This organization uses a fringe benefit rate which is applied to salaries and wages for both budgeting and charging purposes for Federal projects. The following fringe benefits are included in the fringe benefit rate(s): FICA, WORKERS COMPENSATION, HEALTH/LIFE/DENTAL, DISABILITY INS., ANNUITANT'S INS., UNEMPLOYMENT INS., RETIREMENT PLANS, AND TERMINATION PAY.

TREATMENT OF PAID ABSENCES

Except for LASP employees (Professional Researcher Employee Classification only), vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are charged to Federal projects as part of the normal charge for salaries and wages. Separate charges for the cost of these absences are not made.

For LASP (Professional Researcher Employee Classification only), the cost of vacation, holiday, sick leave pay, and other paid absences are included in a leave benefit rate which is applied to salaries and wages for budgeting and charging purposes for Federal projects, and are not included in direct charges for salaries and wages. Charges for salaries and wages must exclude those paid to LASP (Professional Researcher Employee Classification only) for periods when they are on vacation, holiday, or sick leave, or are otherwise absent from work.

DEFINITION OF EQUIPMENT: Equipment is defined as tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

DEFINITION OF OFF-CAMPUS

Off-campus activity shall be defined as those activities which, because of location where work is performed, do not incur physical plant operations and maintenance costs.

Projects partially performed off-site are apportioned between their on-site components. If 50% or more of the indirect cost rate base costs of the project are determined to be on-site, the entire project is considered on-site. If less than 50% of the indirect cost rate base costs are determined to be on-site, the entire project is considered off-site.

ORGANIZATION: University of Colorado-Boulder Office of the Sr Vice Chancellor & CFO

AGREEMENT DATE: 05/03/2011

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 Colorado-Boulder Office of the Sr Vice Chancellor & CFO

(INSTITUTION)

Richard Porreca

(SIGNATURE)

Richard Porreca

(NAME)

Senior Vice Chancellor & CFO

(TITLE)

May 12, 2011

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Wallace Chan

(SIGNATURE)

Wallace Chan

(NAME)

Director, Western Field Office

(TITLE)

5/3/2011

(DATE) 1002

HHS REPRESENTATIVE:

Ernest Willard

Telephone:

(415) 437-7820