

## 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

July 8, 2011

Mr. Kenneth D. Cralg Associate Vice President - Finance University of North Carolina General Administration P.O. Box 2688 Chapel Hill, NC 27515

Dear Mr. Gower:

A copy of an indirect cost Rate Agreement is being faxed to you for 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 indirect costs on grants and contracts with the Federal Government.

Please have the original signed by an authorized representative of your organization and fax it to me, retaining the copy for your files. Our fax number is (202) 619-3379. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Therefore, your next proposal based on actual costs for the fiscal year ending 06/30/2013 is due in our office by 12/31/2013.

Sincerely.

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

**Enclosures** 

PLEASE SIGN AND FAX A COPY OF THE RATE AGREEMENT

# ORIGINAL

# COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1-566172047

DATE:07/08/2011

ORGANIZATION:

FILING REF .: The preceding

agreement was dated

North Carolina General Administration

08/15/2007

P.O. Box 2688

Chapel Hill, NC 27515-2688

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 FIXED

RATE TYPES:

FINAL

PROV. (PROVISIONAL)

PRED. (PREDETERMINED)

## EFFECTIVE PERIOD

TYPE	FROM	TO	RATE(%) LOCATION	APPLICABLE TO
PRED.	07/01/2010	06/30/2014	11.00 UNC-GA	All Programs
PROV.	07/01/2014	Until Amended		Use same rates and conditions as those cited for fiscal year ending June 30, 2014.

# \*BASE

Total direct costs excluding capital expenditures (buildings, individual items of equipment; alterations and renovations), that portion of each subaward in excess of \$25,000 and flow-through funds.

ORGANIZATION: North Carolina General Administration

AGREEMENT DATE: 07/08/2011

# SECTION II: SPECIAL REMARKS

# TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits 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.

Fringe benefits include: FICA, Medical Insurance, Retirement, Workers' Compensation.

Equipment means an article of nonexpendable tangible personal property having a useful life of more than one year and an acquistiion cost of \$5,000 or more per unit.

ORGANIZATION: North Carolina General Administration

AGREEMENT DATE: 07/08/2011

#### 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

#### 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 railure to obtain approval may result in cost disallowences.

#### 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 accusal costs for this period are determined, an adjustment will be made to a sate 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 suthering in Office of Management and Rudget 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:

BY THE INSTITUTION:

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(a) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(a) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

North Carolina General Administration

(INSTITUTION)

CHANGED

(SIGNAFORE)

KENNETH D. Crasq

(NAME)

ASSEC. VP For Finance

(TITLE)

(SIGNATURE)

Darryl W. Mayes
(NAME)

Director, Mid-Atlantic Field Office
(TITLE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HIS REPRESENTATIVE:

Steven Zuraf

Telephone:

(DATE) 1218

(301) 492-4855