



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

90 7th Street, Suite 4-600
San Francisco, CA 94103-6705
PHONE: (415) 437-7820
FAX: (415) 437-7823
EMAIL: CAS-SF@psc.hhs.gov

November 08, 2016

Brian K. Evans
Chief Financial Officer / Administrative Vice President
Brigham Young University
B-340 ASB
Provo, UT 84602-1128

Dear Mr. Evans:

A copy of the indirect rate cost rate agreement is being sent 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 F&A and fringe benefit costs on grants and contracts with the Federal Government.

In addition, both parties agree to the following over/under recoveries:

Under-recovery of \$4,595,367 applicable to Administrative Employees
Under-recovery of \$6,721,433 applicable to Faculty, Regular
Over-recovery of \$5,086 applicable to Faculty, Spring/Summer with benefits
Over-recovery of \$24,899 applicable to Faculty, Visiting, Foreign and Post Docs
Under-recovery \$469,968 applicable to Faculty & Staff, Part-time with retirement
Under-recovery \$2,023,010 applicable to Staff Employees
Over-recovery of \$1,935 applicable to Other

These amounts are included in your fixed fringe benefit rates for the fiscal year ending 12/31/17 which are listed in the attached rate agreement. Please have the agreement signed by an authorized representative of your organization and return within ten business days of receipt. The signed agreement should be sent to me by email, while retaining the copy for your files. Only when the signed agreement is returned, will we then 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 the required supporting information, must be submitted to this office for each fiscal year in which your organization claims these costs under grants and contracts awarded by the Federal Government. Therefore, your next indirect cost proposal based on actual costs for the fiscal year ending 12/31/18, will be due in our office by 06/30/19, and your next fringe benefit rate proposal based on actual costs for the fiscal year ending 12/31/16 is due in our office by 06/30/17. Please submit your next proposals electronically via email to CAS-SF@psc.hhs.gov.

Sincerely,

Arif M. Karim -A

Arif Karim, Director
Cost Allocation Services

Digitally signed by Arif M. Karim -A
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ou=PSC, ou=People, cn=Arif M. Karim -A,
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Enclosure

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 870217280

DATE:11/08/2016

ORGANIZATION:

FILING REF.: The preceding agreement was dated 11/03/2015

Brigham Young University
D-148 ASB
P.O. Box 21128
Provo, UT 84602-1128

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.	01/01/2016	12/31/2019	50.00	On-Campus	Research
PRED.	01/01/2016	12/31/2019	26.00	Off-Campus	Research
PRED.	01/01/2016	12/31/2019	47.10	On-Campus	Instruction
PRED.	01/01/2016	12/31/2019	26.00	Off-Campus	Instruction
PRED.	01/01/2016	12/31/2019	24.80	All	(1)
PROV.	01/01/2019	Until Amended		(2)	

*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.

- (1) Other Institutional Activities
- (2) Use same rates and conditions as those cited for fiscal year ending December 31, 2019.

ORGANIZATION: Brigham Young University

AGREEMENT DATE: 11/8/2016

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	1/1/2017	12/31/2017	59.60	All	Administrative
FIXED	1/1/2017	12/31/2017	55.80	All	Faculty, Regular
FIXED	1/1/2017	12/31/2017	35.20	All	(A)
FIXED	1/1/2017	12/31/2017	79.40	All	Staff, Regular
FIXED	1/1/2017	12/31/2017	40.50	All	(B)
FIXED	1/1/2017	12/31/2017	21.50	All	(C)
FIXED	1/1/2017	12/31/2017	7.60	All	Other

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

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

- (A) Faculty, Supplemental with benefits
- (B) Faculty & Staff, Part-Time with Retirement
- (C) Faculty, Visiting, Foreign, and Post Docs

ORGANIZATION: Brigham Young University

AGREEMENT DATE: 11/8/2016

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 following fringe benefits are included in the fringe benefit rate(s):

FI CA, RETIREMENT, MEDICAL/LIFE/INDUSTRIAL/UNEMPLOYMENT INSURANCE, ANNUITY, AND POSTRETIREMENT MEDICAL/LIFE INSURANCE.

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: A project is considered off-campus if the activity is conducted at locations other than in University owned or operated facilities and indirect costs associated with physical plant and library are not considered applicable to the project.

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.

NEXT PROPOSAL DUE DATES

An indirect cost proposal based on actual costs for fiscal year ending 12/31/18, will be due no later than 06/30/19, and a fringe benefit proposal based on actual costs for fiscal year ending 12/31/16, will be due no later than 06/30/17.

This rate agreement updates the fringe benefits only.

ORGANIZATION: Brigham Young University

AGREEMENT DATE: 11/8/2016

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:

Brigham Young University

(INSTITUTION)

Brian K. Evans

(SIGNATURE)

BRIAN K. EVANS

(NAME)

CFD & ADMIN. V.P.

(TITLE)

16 Nov 2016

(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
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ou=People, cn=Arif M. Karim -A,
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Date: 2016.11.15 13:48:17 -06'00'

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

11/8/2016

(DATE) 1101

HHS REPRESENTATIVE:

Robert Lee

Telephone:

(415) 437-7820