



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Service  
Division of Cost Allocation

Room 732  
1301 Young Street  
Dallas, TX 75202  
PHONE: (214) 767-3261  
FAX: (214) 767-3264

March 17, 2014

Ms. Natalie Krawitz  
Vice President for Finance and Administration  
University of Missouri – Columbia  
215 University Hall  
Columbia, MO 65211

Dear Ms. Krawitz:

A copy of a facilities and administrative cost (F&A) and fringe benefit (FB) Rate Agreement are being faxed to you for your signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the FB rates that may be used to support your claim for these indirect costs on grants and contracts with the Federal Government.

Please have the Agreement signed by an authorized representative of your organization and fax or email to me, retaining the copy for your files. Our fax number is (214) 767-3264 and email address is [Joel.McKenzie@psc.hhs.gov](mailto:Joel.McKenzie@psc.hhs.gov). We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

The Fixed Fringe Benefit cost rate(s) for the fiscal year ending June 30, 2014 and June 30, 2015 are based on actual costs for the fiscal year(s) ended June 30, 2012 and June 30, 2013, respectively; over-recovered (+) or under-recovered (-) amounts are listed below:

	<u>2012/2014</u>	<u>2013/2015</u>
All Other Employees:	(\$1,911,448)	(\$7,258,667)
Medical School Employees:	\$487,337	\$3,261,023

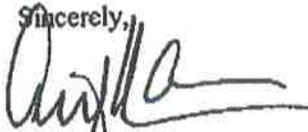
The fixed rate(s) for fiscal year 2012 and 2013 are considered final.

A Fringe Benefit cost proposal, together with supporting information, and the certified audit financial statement, is required each year. Your next Fringe Benefit cost proposal, based on actual costs for the fiscal year ending June 30, 2014, is due in our office by December 31, 2014. Additionally, your next Facilities and Administrative cost rate proposal, based on actual costs for the fiscal year ending June 30, 2015, is due in our office by December 31, 2015.

Ms. Natalie Krawitz  
March 17, 2014  
Page 2 of 2

Since this is an integral part of the Negotiation Agreement, please note your acceptance by signing in the space provided below.

Thank you for your cooperation.

Sincerely,  
  
Arif Karim  
Director  
Division of Cost Allocation

Enclosures

**ACCEPTANCE**

University of Missouri – Columbia

(Institution)



(Signature)

Ryan Pepp

(Name)

Controller

(Title)

3-25-14

(Date)

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

ORGANIZATION:  
 University of Missouri - Columbia  
 215 University Hall  
 Columbia, MO 65211-3020

DATE: 03/17/2014  
 FILING REF.: The preceding  
 agreement was dated  
 05/14/2013

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.

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**SECTION I: INDIRECT COST RATES**

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RATE TYPES:	FIXED	FINAL	PROV. (PROVISIONAL)	PRED. (PREDETERMINED)
	<u>EFFECTIVE PERIOD</u>			
<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%) LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2012	06/30/2013	51.50 On Campus	Organized Research
PRED.	07/01/2013	06/30/2016	53.50 On Campus	Organized Research
PRED.	07/01/2012	06/30/2016	48.00 On Campus	Instruction
PRED.	07/01/2012	06/30/2016	30.00 On Campus	Other Spon Act
PRED.	07/01/2012	06/30/2016	26.00 Off Campus	All Programs
PROV.	07/01/2016	Until Amended		Use same rates and conditions as cited for FYE 6/30/16

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

ORGANIZATION: University of Missouri - Columbia  
AGREEMENT DATE: 3/17/2014

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**SECTION I: FRINGE BENEFIT RATES\*\***

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2013	6/30/2014	21.60	All	Med Sch Employees
FIXED	7/1/2013	6/30/2014	26.30	All	All Oth Employees
FIXED	7/1/2014	6/30/2015	19.69	All	Med Sch Employees
FIXED	7/1/2014	6/30/2015	27.37	All	All Oth Employees
PROV.	7/1/2015	6/30/2017			Use same rates and conditions as those cited for fiscal year ending June 30, 2015.

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

ORGANIZATION: University of Missouri - Columbia

AGREEMENT DATE: 3/17/2014

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**SECTION II: SPECIAL REMARKS**

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**TREATMENT OF FRINGE BENEFITS:**

The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. FICA is specifically identified to each employee and is charged individually as direct costs. The fringe benefits included in the rate(s) are listed in the Special Remarks Section of this agreement.

**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:** For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

**FRINGE BENEFITS:**

Disability Insurance  
Worker's Compensation  
Life Insurance  
Unemployment Insurance  
Health Insurance  
Dental Insurance  
Retirement  
Tuition Remission  
Wellness Program

**Equipment Definition -**

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.

Your next Fringe Benefit cost proposal, based on actual costs for the fiscal year ending June 30, 2014, is due in our office by December 31, 2014. Additionally, your next Facilities and Administrative cost rate proposal, based on actual costs for the fiscal year ending June 30, 2015, is due in our office by December 31, 2015.

ORGANIZATION: University of Missouri - Columbia

AGREEMENT DATE: 3/17/2014

**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 purposed 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 allowable to these programs.

BY THE INSTITUTION:

University of Missouri - Columbia

(INSTITUTION)

(SIGNATURE)

*Ryan Papp*

(NAME)

*Controller*

(TITLE)

*3-25-14*

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

*Arif Karim*

(NAME)

Director, Division of Cost Allocation

(TITLE)

3/17/2014

(DATE) 7007

HHS REPRESENTATIVE:

Joel McKenzie

Telephone:

(214) 767-3261