



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

1301 Young Street, Suite 106-1140
Dallas, TX 75202
PHONE: (214) 767-3261
FAX: (214) 767-3264
EMAIL: CAS-Dallas@psc.hhs.gov

February 27, 2020

Mr. Brian E. Davis
Associate Vice President & Controller
University of Akron
302 Buchtel Common
Akron, OH 44325-6205

Dear Mr. Davis:

A copy of an indirect cost and fringe benefit (FB) 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 indirect cost and 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 email it to me, retaining the copy for your files. Our email address is CAS-Dallas@psc.hhs.gov. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

In addition, both parties agree to the following over (+) / under (-) recoveries:

	2018/2020	2019/2021	2019/2023
Full Time Employees	\$3,745,524	\$2,326,370	-0-
Part Time Employees	116,469	325,000	529,947
Graduate & Student Assistance	(183,971)	(69,026)	-0-

The FB fixed rate(s) for fiscal year ended 2018 and 2019 are considered final. A correction was made to the carry-forwards for FYE 2019 for the full time employees and part time employees rates. As a result, the over-recovery for 2019/2021 for the part time employees' rate will be split between FY 2021 and FY 2023 to minimize rate volatility for FY 2021. We will again assess this approach when FY 2021 / 2023 FB proposal is received.

These amounts are included in your fixed fringe benefit rates for the fiscal year ending 6/30/2020 and 6/30/2021 which are listed in the attached Rate Agreement. The fixed rate(s) for fiscal year ended 2018 and 2019 are considered final.

A Fringe Benefit cost proposal, together with supporting information and the certified audit financial statement, is required each year. Thus, your next Fringe Benefit cost proposal based on actual costs for the fiscal year ending June 30, 2020 is due in our office by December 31, 2020.

Mr. Brian E. Davis
February 27, 2020
Page 2

An F&A cost proposal, together with supporting information, are required to substantiate your claim for F&A costs under grants and contracts awarded by the Federal Government. Thus, your next F&A cost proposal based on actual costs for the fiscal year ending June 30, 2023 is due in our office by December 31, 2023.

Please submit your proposals electronically to the following email address: CAS-Dallas@psc.hhs.gov.

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

Sincerely,

Arif M. Karim

-S

Arif Karim

Director

Cost Allocation Services

Digitally signed by Arif M. Karim -S
DN: c=US, o=U.S. Government, ou=HHS,
ou=PSC, ou=People, cn=Arif M. Karim -S,
0.9.2342.19200300.100.1.1=2000212895
Date: 2020.03.16 12:59:29 -0500

Enclosures

ACCEPTANCE:

University of Akron

(Institution)

Brian E. Davis

(Signature)

Brian Davis

(Name)

Associate Vice President/Controller

(Title)

3.18.20

(Date)

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1346002924A1

DATE:02/27/2020

ORGANIZATION:

FILING REF.: The preceding agreement was dated 10/08/2019

University of Akron
302 Buchtel Commons
Akron, OH 44325-6205

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.	07/01/2019	06/30/2024	52.00	On Campus	Organized Research
PRED.	07/01/2019	06/30/2024	50.50	On Campus	Instruction
PRED.	07/01/2019	06/30/2024	35.50	On Campus	Other Sponsored Activities
PRED.	07/01/2019	06/30/2024	26.00	Off Campus	All Programs
PROV.	07/01/2024	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2024.

*BASE

ORGANIZATION: University of Akron

AGREEMENT DATE: 2/27/2020

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.

ORGANIZATION: University of Akron

AGREEMENT DATE: 2/27/2020

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	7/1/2019	6/30/2020	31.22	All	Full-Time Employees
FIXED	7/1/2019	6/30/2020	17.70	All	Part-Time Employees
FIXED	7/1/2019	6/30/2020	5.50	All	Graduate and Student Assistants
FIXED	7/1/2020	6/30/2021	29.00	All	Full-Time Employees
FIXED	7/1/2020	6/30/2021	15.45	All	Part-Time Employees
FIXED	7/1/2020	6/30/2021	5.00	All	Graduate and Student Assistants
PROV.	7/1/2021	Until amended			

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and Wages.

ORGANIZATION: University of Akron

AGREEMENT DATE: 2/27/2020

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 the rate(s) listed in the Fringe Benefits Section of this Agreement. 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. 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.

FRINGE BENEFITS:

Medicare
Retirement
Unemployment Insurance
Disability Insurance
Workers Compensation
Life Insurance
Health Insurance, including Dental and Vision
Employee Tuition Fee Reduction
Sick and Vacation Leave Payoff

* This Rate Agreement reflects new Fringe Benefits Rates only. *

The next facilities & administrative cost proposal based on actual costs for the fiscal year ending 06/30/2023 are due in our office by 12/31/2023. The next fringe benefit rates proposal based on 6/30/2020 is due in our office by 12/31/2020.

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 the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

ORGANIZATION: University of Akron

AGREEMENT DATE: 2/27/2020

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:

University of Akron

(INSTITUTION)



(SIGNATURE)

Brian Davis

(NAME)

Associate Vice President/Controller

(TITLE)

2.18.20

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Arif M. Karim -S

Digitally signed by Arif M. Karim -S
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,
ou=People, cn=Arif M. Karim -S,
0.9.2342.19200300.100.1.1=2000212895
Date: 2020.03.16 12:57:59 -0500

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

2/27/2020

(DATE) 6984

HHS REPRESENTATIVE: Theodore Foster

Telephone: (214) 767-3261