



DEPARTMENT OF THE NAVY
OFFICE OF NAVAL RESEARCH
875 NORTH RANDOLPH STREET
SUITE 1425
ARLINGTON, VA 22203-1995

IN REPLY REFER TO:

Agreement Date: September 5, 2013
Supersedes Agreement Dated: June 24, 2013

NEGOTIATION AGREEMENT

INSTITUTION: **UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99775**

The Employee Fringe Benefit rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to The University of Alaska (UA) by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR 220. These rates shall be used for forward pricing and billing purposes for UA's Fiscal Years 2014-2015. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Years 2014-2015.

Section I: RATES - TYPE: FIXED (FIXED) PROVISIONAL (PROV)

Fringe Benefits Rates:

TYPE	FROM	TO	RATE		Employee Category
			Staff Benefits Base (a)	Leave Benefits Base (b)	
Fixed	7/1/2013	6/30/2014	50.40%	22.40%	Classified
Prov	7/1/2014	6/30/2015	50.40%	22.40%	Classified
Fixed	7/1/2013	6/30/2014	53.40%	21.10%	Classified, AHECTE ¹
Prov	7/1/2014	6/30/2015	53.40%	21.10%	Classified, AHECTE ¹
Fixed	7/1/2013	6/30/2014	41.90%	20.60%	APT ² Exempt
Prov	7/1/2014	6/30/2015	41.90%	20.60%	APT ² Exempt
Fixed	7/1/2013	6/30/2014	29.00%	17.00%	Executive
Prov	7/1/2014	6/30/2015	29.00%	17.00%	Executive
Fixed	7/1/2013	6/30/2014	29.00%	17.00%	Non-Union Faculty (12 mos)
Prov	7/1/2014	6/30/2015	29.00%	17.00%	Non-Union Faculty (12 mos)
Fixed	7/1/2013	6/30/2014	29.00%	0.10%	Non-Union Faculty (<12 mos)
Prov	7/1/2014	6/30/2015	29.00%	0.10%	Non-Union Faculty (<12 mos)
Fixed	7/1/2013	6/30/2014	31.20%	1.50%	UNAC ³ Faculty
Prov	7/1/2014	6/30/2015	31.20%	1.50%	UNAC ³ Faculty
Fixed	7/1/2013	6/30/2014	34.70%	1.50%	UAFT ⁴ Faculty
Prov	7/1/2014	6/30/2015	34.70%	1.50%	UAFT ⁴ Faculty

			RATE		
TYPE	FROM	TO	Staff	Leave	
			Benefits	Benefits	
			Base (a)	Base (b)	Employee Category
Fixed	7/1/2013	6/30/2014	10.10%	0.00%	Adjunct Faculty
Prov	7/1/2014	6/30/2015	10.10%	0.00%	Adjunct Faculty
Fixed	7/1/2013	6/30/2014	8.20%	0.00%	Temporary & FICA Student
Prov	7/1/2014	6/30/2015	8.20%	0.00%	Temporary & FICA Student
Fixed	7/1/2013	6/30/2014	33.40%	13.40%	Extended Temporary
Prov	7/1/2014	6/30/2015	33.40%	13.40%	Extended Temporary
Fixed	7/1/2013	6/30/2014	0.00%	0.00%	Student
Prov	7/1/2014	6/30/2015	0.00%	0.00%	Student

Notes: ¹Alaska Higher Education Crafts and Trade Employees

²Administrative/Professional/Technical

³United Academics

⁴University of Alaska Federation of Teachers

DISTRIBUTION BASES

- (a) Staff benefits rates are applied to base salaries plus overtime, miscellaneous pay, and leave accrual provisions.
- (b) Leave benefits rates are applied to base salaries excluding: overtime, miscellaneous pay, and paid leave.

SECTION II - GENERAL TERMS AND CONDITIONS

A. **LIMITATIONS:** Use of the rates set forth under Section I is subject to any statutory or administrative limitations and is applicable to a given grant, contract or other agreement only to the extent that funds are available and consistent with any and all limitations of cost clauses or provisions, if any, contained therein. Acceptance of the rates agreed to herein is predicated upon all of the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in this indirect cost pool as finally accepted and that such costs are legal obligations of the grantee/contractor and allowable under governing cost principles; (2) that the same costs that have been treated as indirect costs are not claimed as direct costs; (3) that similar types of costs have been accorded consistent accounting treatment; and (4) that the information provided by the grantee/contractor, which was used as the basis for acceptance of the rates agreed to herein and expressly relied upon by the Government in negotiating and accepting the said rates, is not subsequently found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: The rates contained in Section I of this agreement are based on the accounting system in effect at the time the agreement was negotiated. Changes to the method(s) of accounting for costs which affect the amount of reimbursement resulting from the use of these rates require the written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. Such changes include but are not limited to changes in the charging of a particular type of costs from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowances.

C. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates in this agreement are based on estimates of the costs for FY 2014. When actual costs for the period are determined, an adjustment will be made to the rates of a future year to recognize the difference between the FY 2014 estimated costs used to establish the fixed rates and the negotiated actual FY 2014 costs.

D. CARRY-FORWARD AMOUNTS: The fixed rates set forth in Section I are inclusive of the following estimated FY 2012 carry-forward amounts:

<u>Employee Category</u>	<u>FY 12 Est. Carry-Forward Amounts</u>	
	<u>STAFF</u> <u>BENEFITS</u>	<u>LEAVE</u> <u>BENEFITS</u>
() Denotes Over-Recovery		
Classified	(\$2,624,000)	\$177,500
Classified, AHECTE ¹	(\$691,500)	(\$61,700)
APT ² Exempt	(\$2,175,900)	\$143,500
Executive, Non-Union Faculty (12 mos)	(\$289,800)	(\$184,200)
Non-Union Faculty (<12 mos)	*	(\$38,200)
UNAC ³ Faculty	(\$1,132,300)	\$70,200
UAFT ⁴ Faculty	(\$77,200)	\$47,800
Adjunct Faculty	\$69,100	\$0
Temporary & FICA Student	(\$36,200)	\$0
Extended Temporary	(\$66,900)	(\$12,700)
Student	\$0	\$0

*Job group Non-Union Faculty <12 mos is included in the Exec & Non-Union Faculty – 12 mos group for staff benefit purposes and separate for leave benefit purposes.

E. PROVISIONAL RATES: The provisional rates contained in this agreement are subject to unilateral amendment by the Government or bilateral amendment by the contracting parties at any time.

F. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in 2 CFR 220. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other transactions to which 2 CFR 220 is applicable, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other Federal agencies which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

G. **SPECIAL REMARKS:** The Government's agreement with the rates set forth in Section I is not an acceptance of the University of Alaska (UA)'s accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by UA is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:

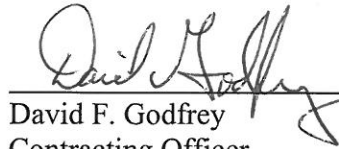
FOR UNIVERSITY OF ALASKA:

FOR THE U.S. GOVERNMENT:



Ashok Roy
Chief Financial Officer

9/9/13
Date


David F. Godfrey
Contracting Officer

9/10/13
Date

For information concerning this agreement contact:

DAVID F. GODFREY, Contracting Officer
Office of Naval Research
875 North Randolph Street
Arlington, VA 22203-1995

Phone: (703) 696-2586
E-mail: david.f.godfrey@navy.mil