



DEPARTMENT OF THE NAVY
OFFICE OF NAVAL RESEARCH
800 NORTH QUINCY STREET
ARLINGTON, VA 22217-5660

IN REPLY REFER TO

NEGOTIATION AGREEMENT
FY 2003 FIXED FRINGE BENEFIT RATES

Institution: THE UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99775

The Fringe Benefit Rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the University of Alaska by all Federal Agencies of the United States of America in accordance with the provisions and cost principles mandated by Office of Management and Budget (OMB) Circular A-21. These rates shall be used for forward pricing and billing purposes at the University of Alaska for Fiscal Year 2003. This Fringe Benefit rate agreement supercedes all previous Fringe Benefit Rate Agreements/Determinations for the University of Alaska's FY 2003.

SECTION I – RATES – TYPE: FIXED WITH CARRY FORWARD PROVISIONS (FIXED)

STAFF BENEFIT RATES

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
Fixed	7/1/02	6/30/03	37.0%	(a)	Classified
Fixed	7/1/02	6/30/03	41.0%	(a)	Classified, AHECTE ¹
Fixed	7/1/02	6/30/03	27.0%	(a)	APT ² Exempt
Fixed	7/1/02	6/30/03	23.1%	(a)	Executive
Fixed	7/1/02	6/30/03	23.1%	(a)	Non-Union Faculty
Fixed	7/1/02	6/30/03	30.0%	(a)	UNAC ³ Faculty
Fixed	7/1/02	6/30/03	29.1%	(a)	ACCFT ⁴ Faculty
Fixed	7/1/02	6/30/03	9.2%	(a)	Adjunct Faculty
Fixed	7/1/02	6/30/03	8.1%	(a)	Temporary
Fixed	7/1/02	6/30/03	37.9%	(a)	Extended Temporary
Fixed	7/1/02	6/30/03	0.0%	(a)	Student

¹Alaska Higher Education Crafts and Trade Employees

²Administrative/Professional/Technical

³United Academics

⁴Alaska Community College's Federation of Teachers

LEAVE BENEFIT RATES

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
Fixed	7/1/02	6/30/03	20.0%	(b)	Classified
Fixed	7/1/02	6/30/03	20.7%	(b)	Classified, AHECTE
Fixed	7/1/02	6/30/03	19.9%	(b)	APT Exempt
Fixed	7/1/02	6/30/03	15.7%	(b)	Executive
Fixed	7/1/02	6/30/03	15.7%	(b)	Non-Union Faculty
Fixed	7/1/02	6/30/03	1.1%	(b)	UNAC Faculty
Fixed	7/1/02	6/30/03	1.4%	(b)	ACCFT Faculty
Fixed	7/1/02	6/30/03	0.0%	(b)	Adjunct Faculty
Fixed	7/1/02	6/30/03	0.0%	(b)	Temporary
Fixed	7/1/02	6/30/03	13.8%	(b)	Extended Temporary
Fixed	7/1/02	6/30/03	0.0%	(b)	Student

DISTRIBUTION BASES

- (a) Staff benefit rates are applied to base salaries plus overtime, miscellaneous pay and leave accrual provisions.
- (b) Leave 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 above, is subject to any statutory or administrative limitations and is applicable to a given grant or contract only to the extent that funds are available, and consistent with any or 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 the rates 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 a basis for acceptance of the rates agreed to herein, and expressly relied upon by the Government in negotiating 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 prior approval of the authorized representative of the cognizant negotiation agency. Such changes include but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowance's.

C. FIXED RATES AND CARRY FORWARD PROVISIONS: The fixed rates contained in this agreement are based on estimates of costs for FY2003. When actual costs for this fiscal year are determined, adjustments will be applied to a future rate negotiation to recognize the difference between the FY 2003 estimated costs used to establish the fixed rates and the negotiated actual FY 2003 costs.

D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I were negotiated in accordance with and under the authority set forth in OMB Circular A-21. Accordingly, such rates shall be applied to the extent provided in OMB Circular A-21 to grants and contracts to which OMB Circular A-21 applies, 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 sponsored agreements using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

E. CARRY FORWARD AMOUNTS:

The rates set forward in section I of this agreement are inclusive of the FY 2001 estimated carryforward amounts, as follows:

Staff Benefits:	<u>Estimated Carryforward Amount</u>	<u>Liquidated in FY2003 Rates</u>	<u>Estimated Balance to be Liquidated</u>
Classified	\$539,333	\$269,667	\$269,666
AHECTE	\$672,222	\$263,000	\$409,222
APT Exempt	\$254,569	\$127,285	\$127,284
Executives and Non-Union Faculty	\$16,818	\$8,409	\$8,409
UNAC Faculty	\$1,484,033	\$686,000	\$798,033
ACCFT Faculty	(\$45,815)	(\$20,000)	(\$25,815)
Adjunct Faculty	(\$102,632)	(\$41,100)	(\$61,532)
Temporary	\$0	\$0	\$0
Extended Temporary	\$75,331	\$25,110	\$50,221
Student	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	\$2,893,859	\$1,318,371	\$1,575,488

() denotes over-recovery

University of Alaska
 Fiscal Year 2003 Fixed Fringe Benefit Rates Negotiation Agreement

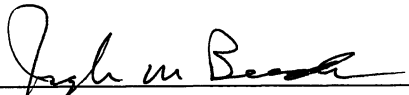
Leave Benefits:	Estimated Carryforward <u>Amount</u>	Liquidated in FY2003 <u>Rates</u>	Estimated Balance to be <u>Liquidated</u>
Classified	(\$225,070)	(\$225,070)	-
AHECTE	(\$18,367)	(\$18,367)	-
APT Exempt	\$321,051	\$321,051	-
Executives and Non-Union Faculty	\$11,568	\$11,568	-
UNAC Faculty	\$4,559	\$4,559	-
ACCFT Faculty	(\$17,985)	(\$17,985)	-
Adjunct Faculty	\$0	\$0	-
Temporary	\$0	\$0	-
Extended Temporary	(\$8,099)	(\$8,099)	-
Student	<u>\$0</u>	<u>\$0</u>	<u>-</u>
Total	\$67,657	\$67,657	\$0

() denotes over-recovery

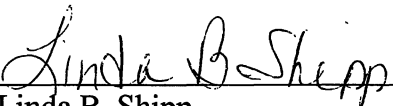
Please indicate your acceptance of the FY2003 Staff and Leave Benefit rates and carry forward amounts by signature in the space provided below. The terms of this agreement are subject to all regulations and statutes applicable to any contract, grant or other agreement that includes the provisions of OMB Circular A-21. The terms of this agreement will not change any monetary ceilings, or statutory limitations of any individual Federal contract, grant or other agreement with the University of Alaska.

FOR THE UNIVERSITY:

FOR THE GOVERNMENT:



 Joseph Beedle
 Vice President for Finance



 Linda B. Shipp
 Contracting Officer

7/18/02

 Date

7/18/02

 Date

For information concerning this agreement contact:
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