



DEPARTMENT OF THE NAVY
OFFICE OF NAVAL RESEARCH
 800 NORTH QUINCY STREET
 ARLINGTON, VA 22217-3680

IN REPLY REFER TO

PROVISIONAL RATE AGREEMENT

INSTITUTION: UNIVERSITY OF ALASKA
207B BUTROVICH BUILDING
FAIRBANKS, AK 99775-5120

The Facilities and Administrative (F&A) and Employee Benefits rates contained herein are for use on all 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 cost principles mandated by the 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 beginning with Fiscal Year (FY) 2005. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2005.

SECTION I: RATES - TYPE: PROVISIONAL (PROV)

F&A RATES - UNIVERSITY OF ALASKA FAIRBANKS (UAF):

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
PROV	7/1/04	Until Amended	47.5%	(a)	On-Campus Organized Research
PROV	7/1/04	Until Amended	36.9%	(a)	School of Fisheries and Ocean Science, Ship Operations
PROV	7/1/04	Until Amended	27.4%	(a)	Poker Flat
PROV	7/1/04	Until Amended	25.2%	(a)	Arctic Region Supercomputing Center
PROV	7/1/04	Until Amended	33.7%	(a)	Other Sponsored Activities

F&A RATES - UNIVERSITY OF ALASKA ANCHORAGE (UAA):

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
PROV	7/1/04	Until Amended	42.2%	(a)	On-Campus Organized Research
PROV	7/1/04	Until Amended	35.6%	(a)	Other Sponsored Activities

F&A RATES - UNIVERSITY OF ALASKA SOUTHEAST (UAS):

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
PROV	7/1/04	Until Amended	40.0%	(a)	On-Campus Organized Research
PROV	7/1/04	Until Amended	27.6%	(a)	Other Sponsored Activities

SYSTEMWIDE (Applies to All Campuses):

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
PROV	7/1/04	Until Amended	30.0%	(a)	Sponsored Training

STAFF BENEFITS RATES

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
PROV	7/1/04	Until Amended	42.2%	(b)	Classified
PROV	7/1/04	Until Amended	38.7%	(b)	Classified, AHBCTR ¹
PROV	7/1/04	Until Amended	34.8%	(b)	APT ² Exempt
PROV	7/1/04	Until Amended	26.8%	(b)	Executive
PROV	7/1/04	Until Amended	26.8%	(b)	Non-Union Faculty
PROV	7/1/04	Until Amended	32.4%	(b)	UNAC ³ Faculty
PROV	7/1/04	Until Amended	34.7%	(b)	ACCFT ⁴ Faculty
PROV	7/1/04	Until Amended	9.8%	(b)	Adjunct Faculty
PROV	7/1/04	Until Amended	8.4%	(b)	Temporary
PROV	7/1/04	Until Amended	36.0%	(b)	Extended Temporary
PROV	7/1/04	Until Amended	0.0%	(b)	Student

LEAVE BENEFITS RATES

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE FUNCTION</u>
PROV	7/1/04	Until Amended	22.0%	(c)	Classified
PROV	7/1/04	Until Amended	21.6%	(c)	Classified, AHBCTR ¹
PROV	7/1/04	Until Amended	20.7%	(c)	APT ² Exempt
PROV	7/1/04	Until Amended	17.5%	(c)	Executive
PROV	7/1/04	Until Amended	17.5%	(c)	Non-Union Faculty
PROV	7/1/04	Until Amended	1.4%	(c)	UNAC ³ Faculty
PROV	7/1/04	Until Amended	1.7%	(c)	ACCFT ⁴ Faculty
PROV	7/1/04	Until Amended	0.0%	(c)	Adjunct Faculty
PROV	7/1/04	Until Amended	0.0%	(c)	Temporary
PROV	7/1/04	Until Amended	15.2%	(c)	Extended Temporary
PROV	7/1/04	Until Amended	0.0%	(c)	Student

Notes:¹ Alaska Higher Education Crafts and Trade Employees² Administrative/Professional/Technical³ United Academics⁴ Alaska Community College's Federation of Teachers

DISTRIBUTION BASES

- (a) **Modified Total Direct Costs (MTDC)**, as defined in OMB Circular A-21, consisting of all salaries and wages, fringe benefits, materials and 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). Equipment, capital expenditures, charges for patient care and tuition remission, long-term space rental costs, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from Modified Total Direct Costs.
- (b) Staff benefits rates are applied to base salaries plus overtime, miscellaneous pay and leave accrual provisions.
- (c) Leave benefit rates are applied to base salaries, excluding: overtime, miscellaneous pay and paid leave.

SECTION II - GENERAL

A. LIMITATIONS: Use of the rates set forth under Section I is expressly 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 the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the grantee/contractor and allowable under the governing and applicable 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 contractor/grantee, which was used as the basis for the acceptance of the rate 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 this 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 requires the prior approval of the authorized representative of the cognizant negotiation agency prior to implementation of any such changes. 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.

C. 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 rate shall be applied to the extent provided in such Circular to grants, contracts and other agreements 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 this rate or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

D. PROVISIONAL RATE: 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.

E. SPECIAL REMARKS: The government's agreement to the rates in Section I, based on the accounting systems and allocation methodologies in effect at the time this agreement was signed, does not represent an agreement that these systems and methodologies are accepted for FY's 2005 or any subsequent fiscal year's rate negotiations.

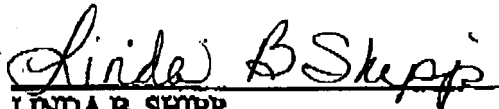
Acceptance:

FOR THE UNIVERSITY OF ALASKA:

FOR THE GOVERNMENT:



JOSEPH BEEDLE
Vice President for Finance



LINDA B. SHIPP
Contracting Officer

Date: June 18, 2004

Date: 6/18/04

For information concerning
this agreement contact:

SCOTT M. BUKOVEC, Negotiator
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