



DEPARTMENT OF THE NAVY

OFFICE OF NAVAL RESEARCH
875 NORTH RANDOLPH STREET
SUITE 1425
ARLINGTON VA 22203-1995

IN REPLY REFER TO:

ONR 242
July 18, 2006

Mr. Myron J. Dosch, Controller, Finance
University of Alaska
P. O. Box 756540
Fairbanks, AK 99775-6540

RE: University of Alaska FY2007 Staff and Leave Benefits

Dear Mr. Dosch:

Enclosed for your files is the fully executed copy of the negotiation agreement covering Alaska's FY 2007 Fixed Staff and Leave Benefits.

If you have any questions, please call me (703) 696-8559 or email at shippl@onr.navy.mil.

Sincerely,

A handwritten signature in cursive script that reads "Linda B. Shipp".

Linda B. Shipp
Contracting Officer
Indirect Cost Branch

Encl: a/s



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IN REPLY REFER TO:

NEGOTIATION AGREEMENT FY 2007 FIXED FRINGE BENEFIT RATES

Institution: UNIVERSITY OF ALASKA
 FAIRBANKS, ALASKA 99775

The Fringe Benefits 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 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 for Fiscal Year 2007. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2007.

SECTION I: RATES - TYPE: Fixed with Carry-forward (Fixed)

TYPE	FROM	TO	RATE		Employment Category
			Staff Benefits Base (a)	Leave Benefits Base (b)	
Fixed	7/1/06	6/30/07	57.0%	21.4%	Classified
Fixed	7/1/06	6/30/07	63.8%	23.4%	Classified, AHECTE ¹
Fixed	7/1/06	6/30/07	44.9%	19.7%	APT ² Exempt
Fixed	7/1/06	6/30/07	35.4%	17.0%	Executive
Fixed	7/1/06	6/30/07	35.4%	17.0%	Non-Union Faculty (12 mo.)
Fixed	7/1/06	6/30/07	35.4%	1.0%	Non-Union Faculty (<12 mo.)
Fixed	7/1/06	6/30/07	46.3%	1.5%	UNAC ³ Faculty
Fixed	7/1/06	6/30/07	55.0%	1.5%	ACCFT ⁴ Faculty
Fixed	7/1/06	6/30/07	9.8%	0.0%	Adjunct Faculty
Fixed	7/1/06	6/30/07	8.7%	0.0%	Temporary
Fixed	7/1/06	6/30/07	45.8%	14.5%	Extended Temporary
Fixed	7/1/06	6/30/07	0.0%	0.0%	Student

Notes:

¹ Alaska Higher Education Crafts and Trade Employees

² Administrative/Professional/Technical

³ United Academics

⁴ Alaska Community College's Federation of Teachers

DISTRIBUTION BASES

The following bases are applicable to the above cited rates:

- (a) Staff benefits rates are applied to base salaries plus overtime, miscellaneous pay and leave accrual provisions.
- (b) Leave benefit 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 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 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. 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 OMB Circular A-21. Accordingly, such rates shall be applied to the extent provided in such circular to grants and contracts to which OMB Circular A-21 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.

D. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates in this agreement are based on estimates of the costs for FY 2007. 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 2007 estimated costs used to establish the fixed rates and the negotiated actual FY 2007 costs.


E. **CARRY-FORWARD AMOUNTS:** The fixed rates set forth in Section I are inclusive of the following estimated FY 2005 carry-forward amounts:

<u>Employment Category :</u>	Estimated FY05 Carry-Forward Amounts	
	<u>STAFF</u> <u>BENEFITS</u>	<u>LEAVE</u> <u>BENEFITS</u>
() Denotes Over-Recovery		
Classified	\$353,326	\$170,184
Classified, AHECTE ¹	\$290,125	\$103,103
APT ² Exempt	(\$571,501)	(\$128,841)
Exec & Non-Union Faculty	(\$158,419)	
Exec & Non-Union Faculty - 12		(\$132,046)
Non-Union Faculty - <12 mo.		(\$2,984)
UNAC ³ Faculty	\$1,111,133	\$155,612
ACCFT ⁴ Faculty	\$755,153	(\$1,329)
Adjunct Faculty	(\$9,840)	\$0
Temporary	\$15,756	\$0
Extended Temporary	(\$18,324)	(\$3,035)
Student	\$0	\$0
	<u>\$1,767,409</u>	<u>\$160,664</u>

Acceptance:

FOR THE UNIVERSITY OF ALASKA:

FOR THE GOVERNMENT:



 James E. Lynch, CPA, CGFM
 Associate Vice President for Finance



 Linda B. Shipp
 Contracting Officer

Date: 7/7/06

Date: 7-10-06

For information concerning this agreement contact:
 Linda B. Shipp (shipp1@onr.navy.mil), (703) 696-8559, FAX: (703) 696-2870
 Office of Naval Research, Indirect Cost Branch (BD0242, Rm. 368)
 875 N. Randolph Street, Arlington, VA 22203