



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

IN REPLY REFER TO:

Date: October 24, 2007

PROVISIONAL RATE AGREEMENT

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

The Facilities and Administrative (F&A) 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 2 CFR 220 (formerly Office of Management and Budget Circular A-21). These rates shall be used for forward pricing and billing purposes at the University of Alaska beginning with Fiscal Year (FY) 2008. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2008.

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	7/1/07	Until Amended	45.1%	(a)	On-Campus Organized Research
PROV	7/1/07	Until Amended	26.0%	(a)	Poker Flat
PROV	7/1/07	Until Amended	29.0%	(a)	Arctic Region Supercomputing Center
PROV	7/1/07	Until Amended	36.0%	(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	7/1/07	Until Amended	34.0%	(a)	On-Campus Organized Research
PROV	7/1/07	Until Amended	33.3%	(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	7/1/07	Until Amended	42.0%	(a)	On-Campus Organized Research
PROV	7/1/07	Until Amended	32.0%	(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	7/1/07	Until Amended	30.0%	(a)	Sponsored Training

DISTRIBUTION BASES

(a) Modified Total Direct Costs (MTDC), as defined in 2 CFR 220, 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.

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 2 CFR 220. Accordingly, such rate shall be applied to the extent provided in such Circular to grants, contracts and other agreements to which 2 CFR 220 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.

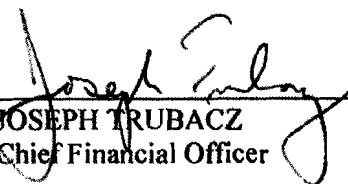
E. DFARS WAIVER: Signature of this agreement by the authorized representative of the University of Alaska and the Government acknowledges and affirms the University's request to waive the prohibition contained in DFARS 231.303(1) and the Government's exercise of its discretion contained in DFARS 231.303(2) to waive the prohibition in DFARS 231.303(1). The waiver request by the University of Alaska is made to simplify the University's overall management of DoD cost reimbursements under DoD contracts.

F. SPECIAL REMARKS: Off-campus is defined as projects or specified project segments which (1) have estimated direct costs in excess of \$100,000 and (2) which require off-site research activities for a period of 180 consecutive days or the equivalent of 80% of the project term. Such research, exclusive of Poker Flat, shall be conducted at facilities and administrative rates agreed to by the contracting parties based on individual requirements. Unless a benefit to the project can be identified, such rates shall not contain on-campus facilities depreciation charges or operation and maintenance costs except for those costs which flow down through other cost components, nor shall there be any provisions for library or other student services costs.

Acceptance:

FOR THE UNIVERSITY OF ALASKA:

FOR THE GOVERNMENT:


JOSEPH TRUBACZ
Chief Financial Officer


DEBORAH K. RAFI
Contracting Officer

Date: 10/26/07

Date: 10/29/2007

For information concerning
this agreement contact:

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