

Sent 7/18/13



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Services  
Division of Cost Allocation

26 Federal Plaza, Room 41-122  
New York, New York 10278  
Phone: (212) 264-2069  
Fax: (212) 264-5478  
Email: dcany@psc.gov

July 16, 2013

Ms. Michelle Fitzback  
University Controller  
Eastern Connecticut State University  
83 Windham Street  
Willimantic, CT 06226

Dear Ms. Fitzback:

A copy of an indirect cost rate agreement is being faxed to you for signature. This agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for indirect costs on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and returned to me by email or fax, retaining the copy for your files. Our fax number is (212) 264-5478 and email address is dcany@psc.gov. We will reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2015, is due in our office by 12/31/2015.

Sincerely,

A handwritten signature in black ink that reads "Darryl W. Mayes".

Darryl W. Mayes  
Deputy Director  
Division of Cost Allocation

ORIGINAL

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 06-1277820

DATE:07/16/2013

ORGANIZATION:

FILING REF.: The preceding  
agreement was dated  
07/20/2010

Eastern Connecticut State University

83 Windham Street

Willimantic, CT 06226

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

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**SECTION I: Facilities And Administrative Cost Rates**

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RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)      PRED. (PREDETERMINED)

EFFECTIVE PERIOD

| <u>TYPE</u> | <u>FROM</u> | <u>TO</u>        | <u>RATE(%)</u> | <u>LOCATION</u> | <u>APPLICABLE TO</u> |
|-------------|-------------|------------------|----------------|-----------------|----------------------|
| PRED.       | 07/01/2013  | 06/30/2016       | 69.00          | On-Campus       | All Programs         |
| PRED.       | 07/01/2013  | 06/30/2016       | 30.00          | Off-Campus      | All Programs         |
| PROV.       | 07/01/2016  | Until<br>Amended | 69.00          | On-Campus       | All Programs         |
| PROV.       | 07/01/2016  | Until<br>Amended | 30.00          | Off-Campus      | All Programs         |

\*BASE

Direct salaries and wages including all fringe benefits.

ORGANIZATION: Eastern Connecticut State University

AGREEMENT DATE: 7/16/2013

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

Fringe benefits applicable to direct salaries and wages are treated as direct costs.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year, and an acquisition cost of \$1,000 or more per unit.

ORGANIZATION: Eastern Connecticut State University

AGREEMENT DATE: 7/16/2013

**SECTION III: GENERAL**

**A. LIMITATIONS:**

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

**B. ACCOUNTING CHANGES:**

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

**C. FIXED RATES:**

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

**D. USE BY OTHER FEDERAL AGENCIES:**

The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-21, and should be applied to grants, contracts and other agreements covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

**E. OTHER:**

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:

Eastern Connecticut State University

(INSTITUTION)

Michelle Fitzack  
(SIGNATURE)

Michelle Fitzack  
(NAME)

University Controller  
(TITLE)

7/18/2013  
(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes  
(SIGNATURE)

Darryl W. Mayes  
(NAME)

Deputy Director  
(TITLE)

7/16/2013  
(DATE) 1256

HHS REPRESENTATIVE: Ryan McCarthy

Telephone: (212) 264-2069