



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

Agreement date: June 27, 2018

NEGOTIATION AGREEMENT

Institution: UNIVERSITY OF DELAWARE
NEWARK, DELAWARE 19716-4005

The Facilities and Administrative (F&A) Rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the University of Delaware by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR Part 200. These rates shall be used for forward pricing and billing purposes for the University of Delaware's Fiscal Years 2019. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2019.

SECTION I: RATES – TYPE: PROVISIONAL (PROV)

Type	From	To	Rate	Base	Applicable To	Location
Prov	7/1/18	6/30/19	56.0%	(a)	Organized Research	On Campus
Prov	7/1/18	6/30/19	28.0%	(a)	Organized Research	Off Campus
Prov	7/1/18	6/30/19	41.0%	(a)	OR- College of Agriculture	On Campus
Prov	7/1/18	6/30/19	28.0%	(a)	OR- College of Agriculture	Off Campus
Prov	7/1/18	6/30/19	38.4%	(a)	Other Sponsored Activities	On Campus
Prov	7/1/18	6/30/19	26.3%	(a)	Other Sponsored Activities	Off Campus
Prov	7/1/18	6/30/19	48.6%	(a)	Sponsored Instruction	On Campus
Prov	7/1/18	6/30/19	33.0%	(a)	Sponsored Instruction	Off Campus

DISTRIBUTION BASES:

(a) Modified Total Direct Cost (MTDC), consisting of salaries and wages, fringe benefits, materials and supplies, services, travel and subawards up to the first \$25,000 of each subaward. Equipment (defined as an article of nonexpendable tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit), capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000 shall be excluded from modified total direct costs. Vessel (ship) charges are also excluded.

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 any or all of the rates agreed to herein is predicated upon all the following conditions: (1) that no costs other than those incurred by the recipient/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the recipient/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, in like circumstances, have been accorded consistent accounting treatment; (4) that the information provided by the recipient/contractor, which was used as the basis for the 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 this agreement was negotiated. Changes to the method(s) of accounting for costs which affects the amount of reimbursement resulting from the use of these rates require the written approval of the authorized representative of the cognizant negotiating 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 disallowances.

C. PROVISIONAL RATES: 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.

D. 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 2 CFR Part 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other agreements to which 2 CFR Part 200 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 to provide such agencies with documentary notice of this agreement and its terms and conditions.

E. SPECIAL REMARKS:

1. Off Campus Definition – For all activities performed in facilities not owned by the institution, the off campus rate will apply. (For all activities performed in facilities rented with institution funds, the on campus rate will apply). Grants or contracts will not be subject to more than one indirect cost rate. If more than 50% of a project is performed off campus, the off campus rate will apply to the entire project.
2. The Government's agreement with the rates set forth in Section I is not an acceptance of the University of Delaware's accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by University of Delaware is on a non-precedence-setting basis and does not imply Government acceptance.

3. Signature of this agreement by the authorized representatives of University of Delaware and the Government acknowledges and affirms the Institute's request for waiver of 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 University of Delaware is made to simplify the Institute's overall management of DOD cost reimbursement under DOD contracts.

FOR THE UNIVERSITY OF DELAWARE:



Greg S. Oler
Vice President for Finance and Deputy Treasurer

06/27/2018

Date

FOR THE U.S. GOVERNMENT:

TINGLE.BETTY.J
OHNSON.1204
289359

Digitally signed by
TINGLE.BETTY.JOHNSON.1204289359
DN: c=US, o=U.S. Government,
ou=DoD, ou=PKI, ou=USN,
cn=TINGLE.BETTY.JOHNSON.1204289359
Date: 2018.06.27 15:28:01 -04'00'

Betty J. Tingle
Contracting Officer

6-27-2018

Date

For information concerning this agreement contact:

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Office of Naval Research, Indirect Cost Branch
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