



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

7700 Wisconsin Avenue, Suite 2361
Bethesda, MD 20814
PHONE: (301) 492-4855
FAX: (301) 492-5081
EMAIL: CAS-Bethesda@psc.hhs.gov

June 8, 2015

Mr. John F. Knight
Assistant Vice President for Finance
James Madison University
Massanutten Hall
MSC 5719
Harrisonburg, Virginia 22807

Dear Mr. Knight:

A copy the facilities and administrative (F&A) cost rate agreement for James Madison University is being sent 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 in support of your claim for F&A costs on grants and contracts with the Federal Government.

The Office of Management and Budget (OMB) has requested that we reach an agreement with each major institution on the components of published F&A rates. The enclosed forms are provided for that purpose.

Please have the agreement signed by an authorized representative of your organization and return within ten business days of receipt. The signed agreement can be sent to me by email, while retaining the copy for your files. Only when the signed agreement is returned, we will then reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

An F&A cost proposal, together with the supporting information, are required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Therefore, your next proposal based on actual costs for the fiscal year ending 06/30/18, is due in our office by 12/31/18. Please submit your next proposal electronically via email to CAS-Bethesda@psc.hhs.gov.

Sincerely,

Darryl W.
Mayes -S

Darryl Mayes, Deputy Director
Cost Allocation Services

Digitally signed by Darryl W. Mayes -S
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ou=HHS, ou=PSC, ou=People,
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Date: 2015.07.01 14:20:27 -0400

Enclosures

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL OR FAX

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 54-6001756

DATE:06/08/2015

ORGANIZATION:

FILING REF.: The preceding agreement was dated 10/22/2010

James Madison University
MSC 5719
Harrisonburg, VA 22807-

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.

SECTION I: Facilities And Administrative Cost Rates

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.	07/01/2014	06/30/2015	47.00	On-Campus	Organized Research
PRED.	07/01/2015	06/30/2017	48.50	On-Campus	Organized Research
PRED.	07/01/2017	06/30/2019	50.00	On-Campus	Organized Research
PRED.	07/01/2014	06/30/2019	26.00	Off-Campus	Organized Research
PRED.	07/01/2014	06/30/2019	55.00	On-Campus	Instruction
PRED.	07/01/2014	06/30/2019	26.00	Off-Campus	Instruction
PRED.	07/01/2014	06/30/2015	30.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2015	06/30/2019	35.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2014	06/30/2019	26.00	Off-Campus	Other Sponsored Activities

ORGANIZATION: James Madison University

AGREEMENT DATE: 6/8/2015

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PROV.	01/01/2019	06/30/2021			Use same rates and conditions as those cited for fiscal year ending June 30, 2019.

*BASE

Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, 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. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

ORGANIZATION: James Madison University

AGREEMENT DATE: 6/8/2015

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

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. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

Fringe benefits include FICA/Medicare, retirement, long-term disability, health insurance, life insurance, and deferred compensation.

Equipment means an article of nonexpendible tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

Next proposal based on the fiscal year ending June 30, 2018 will be due in our office by December 31, 2018.

ORGANIZATION: James Madison University

AGREEMENT DATE: 6/8/2015

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 Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, 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:

James Madison University

(INSTITUTION)

John F. Knight

(SIGNATURE)

John F. Knight

(NAME)

AUP For Fidance

(TITLE)

7-2-15

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes - S

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ou=People, ou=2342.19200300.100.1.1=2000131659,
cn=Darryl W. Mayes - S
Date: 2015.07.01 14:19:16 -0400

(SIGNATURE)

Darryl W. Mayes

(NAME)

Deputy Director, Cost Allocation Services

(TITLE)

6/8/2015

(DATE) 0645

HHS REPRESENTATIVE: **Steven Zuraf**

Telephone: **(301) 492-4855**

COMPONENTS OF PUBLISHED FACILITIES AND ADMINISTRATIVE COST RATE

Institution: **James Madison University**

FY Covered by Rate: July 1, 2014 through June 30, 2019

Type of Rate:

RATE COMPONENTS:

Bldg & Improv - Depr/Use Allow

Equipment - Depr/Use Allow

Interest

Operations & Maintenance

Library

Administrative Component

Total

	Organized Research			Instruction		Other Sponsored Activities	
	<u>ON</u> FY '15	<u>ON</u> FY '16 - '17	<u>ON</u> FY '18 - '19	<u>OFF</u> FY '15 - '19	<u>ON</u> FY '15	<u>ON</u> FY '16 - '19	<u>OFF</u> FY '15 - '19
Bldg & Improv - Depr/Use Allow	4.1	4.0	4.0	4.8	0.6	1.5	
Equipment - Depr/Use Allow	3.6	4.0	4.0	1.0	0.2	0.2	
Interest	4.9	3.0	3.0	1.0	0.2	0.1	
Operations & Maintenance	7.4	11.0	12.5	7.0	2.1	6.7	
Library	1.0	0.5	0.5	15.2	0.9	0.5	
Administrative Component	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Total	47.0	48.5	50.0	55.0	30.0	35.0	26.0

CONCURRENCE:


Signature

John F. Kuyler
Name

Asst. Dir. - Facilities
Title

7-2-18
Date