



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

7700 Wisconsin Avenue, Suite 2301
Bethesda, MD 20814
PHONE: (301) 492-4855
FAX: (301) 492-5081
EMAIL: CAS-Bethesda@psc.hhs.gov

January 19, 2016

Amy J. Roberts, Director
Special Funds Accounting
Appalachian State University
438 Academy Street
ASU Box 32003
Boone, NC 28608

Dear Ms. Roberts,

A copy of an indirect cost rate agreement is being sent to you for signature. This provisional 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 return to me by email, retaining the copy for your files. Our email address is CAS-Bethesda@psc.hhs.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 cost under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2019 is due in our office by 12/31/2019. Please submit your next proposal electronically via email to CAS-Bethesda@psc.hhs.gov.

Sincerely,
Darryl W.
Mayes -A

Digitally signed by Darryl W. Mayes -A
DN: cn=US, o=U.S. Government, ou=HHS,
ou=PSG, ou=People,
1.9.2342.19200300.100.1.1=2000131669,
cn=Darryl W. Mayes -A
Date: 2016.01.25 21:11:08 -05'00'

Darryl W. Mayes, Deputy Director
Cost Allocation Services

Enclosure

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1561176030A1

DATE:01/19/2016

ORGANIZATION:

FILING REF.: The preceding agreement was dated 09/26/2012

Appalachian State University
 Founders Hall
 ASU Box 32043
 Boone, NC 28608-2082

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.	07/01/2016	06/30/2020	37.00	On-Campus	All Programs
PRED.	07/01/2016	06/30/2020	19.00	Off-Campus	All Programs
PROV.	07/01/2020	06/30/2022			Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

*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: Appalachian State University

AGREEMENT DATE: 1/19/2016

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. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

Fringe Benefits include: FICA, Retirement, Workers' Compensation, Unemployment Insurance and Health Insurance.

Equipment means 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.

A proposal for fiscal year ending 06/30/2019 is due in our office no later than 12/31/2019.

ORGANIZATION: Appalachian State University

AGREEMENT DATE: 1/19/2016

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.

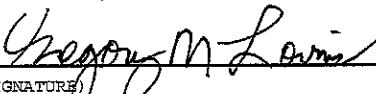
E. OTHER:

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:

Appalachian State University

(INSTITUTION)



(SIGNATURE)

Gregory M. Lovins

(NAME)

VC for Business Affairs

(TITLE)

02/01/2016

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes-A Digitally signed by Darryl W. Mayes-A
DN: cn=D, o=U.S. Government, ou=HHS, ou=PSC,
ou=People, o.9.2342.1.920300.100.1.1=2000131666,
cn=Darryl W. Mayes-A
Date: 2016.01.25 21:10:58 -0500

(SIGNATURE)

Darryl W. Mayes

(NAME)

Deputy Director, Cost Allocation Services

(TITLE)

1/19/2016

(DATE) 0018

HHS REPRESENTATIVE: Lucy Siow

Telephone: (301) 492-4855