



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

1301 Young Street, Room 732
Dallas, TX 75202

PHONE: (214) 767-3261
FAX: (214) 767-3264
EMAIL: CAS-Dallas@psc.hhs.gov

January 30, 2017

Mr. Warren R. Madden
Senior Vice President - Business and Finance
Iowa State University
3607 Administrative Services Building
Room 1635
Ames, IA 50011-2042

Dear Mr. Madden:

A copy of your Facilities and Administrative (F&A) cost Rate Agreement 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 to support your claim for indirect 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 institution on components for the published F&A cost rates. The attached form(s) are provided for that purpose. Please sign the form(s) and return them with the agreement.

Please have the original signed by an authorized representative of your organization and email it to me, retaining the copy for your files. Our email address is: CAS-Dallas@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 costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2019 is due in our office by 12/31/2019 and should be submitted electronically via email to CAS-Dallas@psc.hhs.gov.

Sincerely,

Arif M. Karim -A

Digitally signed by Arif M. Karim -A
DN: c=US, o=U.S. Government, ou=HHS,
ou=PSC, ou=People, cn=Arif M. Karim -A,
0.9.2342.19200300.100.1.1=2000212895
Date: 2017.02.09 14:22:24 -06'00'

Arif Karim
Director
Cost Allocation Services

PLEASE SIGN AGREEMENT AND RETURN VIA EMAIL TO: CAS-Dallas@psc.hhs.gov.

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1426004224A1

DATE:01/30/2017

ORGANIZATION:

FILING REF.: The preceding
agreement was dated
05/31/2016

Iowa State University
3607 Administrative Services Bldg.
Room 1635
Ames, IA 50011-2042

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: INDIRECT COST RATES

RATE TYPES:	FIXED	FINAL	PROV. (PROVISIONAL)	PRED. (PREDETERMINED)
	<u>EFFECTIVE PERIOD</u>			
<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>
<u>APPLICABLE TO</u>				
PRED.	07/01/2016	06/30/2018	52.00	On Campus
				Organized Research
PRED.	07/01/2018	06/30/2020	53.00	On Campus
				Organized Research
PRED.	07/01/2016	06/30/2020	53.00	On Campus
				Instruction
PRED.	07/01/2016	06/30/2020	33.00	On Campus
				Other Sponsored Activities
PRED.	07/01/2016	06/30/2020	26.00	Off Campus
				All Programs
PROV.	07/01/2020	Until Amended		
				Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

*BASE

ORGANIZATION: Iowa State University

AGREEMENT DATE: 1/30/2017

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: Iowa State University

AGREEMENT DATE: 1/30/2017

SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2016	6/30/2018	27.50	All	Group #1
FIXED	7/1/2016	6/30/2018	9.80	All	Group #2
FIXED	7/1/2016	6/30/2018	32.90	All	Group #3
FIXED	7/1/2016	6/30/2018	45.80	All	Group #4
FIXED	7/1/2016	6/30/2018	11.40	All	Group #5
FIXED	7/1/2016	6/30/2018	34.50	All	Group #6
FIXED	7/1/2016	6/30/2018	0.60	All	Group #7
FIXED	7/1/2016	6/30/2018	17.10	All	Group #8
PROV.	7/1/2018	Until amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2018.

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

07/01/16 - 06-30-18:

Group #1 - Faculty
Group #2 - Graduate Assistants
Group #3 - Post Docs
Group #4 - Merit Salary & Hourly
Group #5 - Senior Staff/Leadership
Group #6 - Contract Other, Professional & Scientific
Group #7 - Students
Group #8 - Miscellaneous/Non-Student

ORGANIZATION: Iowa State University

AGREEMENT DATE: 1/30/2017

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.

Effective 07/01/16, The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) 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.

ORGANIZATION: Iowa State University

AGREEMENT DATE: 1/30/2017

Equipment Definition -

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.

FRINGE BENEFITS:

FICA

Retirement

Disability Insurance

Worker's Compensation

Life Insurance

Unemployment Insurance

Health Insurance

Dental Insurance

Employee Assistance Program

Employee Tuition Assistance

Disability Premium Waiver

Sick Leave Payout

Sick Leave - Long Term Disability

Child Care

The next fringe benefit rate proposal based on actual costs for the fiscal year ending 06/30/2017 is due in our office by 12/31/2017. The next F&A proposal based on actual costs for the fiscal year ending 06/30/2019 is due by 12/31/2019.

ORGANIZATION: Iowa State University

AGREEMENT DATE: 1/30/2017

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:

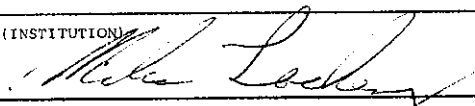
The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

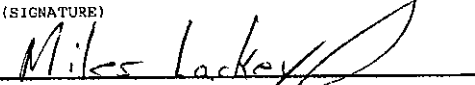
E. OTHER:

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:

Iowa State University

(INSTITUTION) _____


 (SIGNATURE)


 (NAME) Miles Lackey
 CFO

 (TITLE)
 2/10/17

 (DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY) _____
 Arif M. Karim -A
 Digitally signed by Arif M. Karim -A
 DN: cn=US, o=U.S. Government, ou=HHS, ou=PSC,
 ou=People, cn=Arif M. Karim -A,
 0.9.2342.19200300.100.1.1=2000212895
 Date: 2017.02.09.14:21:52 -0600

(SIGNATURE) _____
 Arif Karim

 (NAME)
 Director, Cost Allocation Services

 (TITLE)
 1/30/2017

 (DATE) 7008

HHS REPRESENTATIVE: Tyra Tallie

Telephone: (214) 767-3261