



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

IN REPLY REFER TO:

Agreement Date: June 27, 2019
 [Supersedes Agreement Dated: May 14, 2018]

NEGOTIATION AGREEMENT

**INSTITUTION: THE PENNSYLVANIA STATE UNIVERSITY
 UNIVERSITY PARK, PA 16801-3857**

The Fringe Benefit rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the Pennsylvania State University (PSU) 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 PSU's Fiscal Year 2020. This rate agreement supersedes all previous rate agreements for Fiscal Years 2020.

Section I: RATES - TYPE: PROVISIONAL (Prov)

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Prov	7/1/19	6/30/20	37.85%	(a)	Salaries	All
Prov	7/1/19	6/30/20	7.86%	(b)	Wages	All
Prov	7/1/19	6/30/20	13.00%	(c)	Graduate Assistants	All
Prov	7/1/19	6/30/20	0.25%	(d)	Students	All
Prov	7/1/19	6/30/20	23.52%	(e)	Postdoctoral Students	All

DISTRIBUTION BASES

- (a) Salaries, excluding graduate assistants, postdoctoral scholars, fixed term II and visiting faculty appointments not receiving full benefits.
- (b) Wages and those salaries not receiving full benefits, exclusive of graduate assistants, student wages, and postdoctoral scholar salaries.
- (c) Graduate assistant salaries.
- (d) Student wages.
- (e) Postdoctoral Scholar salaries.

SECTION II - GENERAL TERMS AND CONDITIONS

A. LIMITATIONS: Use of the rates set forth under Section I is subject to availability of funds and to any other statutory or administrative limitations. The rates are 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 the following conditions: (1) that no costs other than those incurred by the institution were included in this indirect cost pool as finally accepted and that such costs are legal obligations of the institution 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 have been accorded consistent accounting treatment; and (4) that the information provided by the institution which was used as a basis for acceptance of the rates agreed to herein, and expressly relied upon by the Government in negotiating and accepting 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 the agreement was negotiated. Changes to the method(s) of accounting for costs, which affect the amount of reimbursement resulting from the use of these rates require the prior written approval of the authorized representative of the cognizant agency for indirect costs. 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.

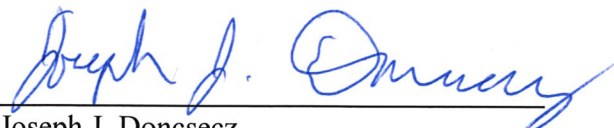
C. PROVISIONAL RATES: The provisional rates contained in this agreement are subject to unilateral amendment by the Government or bilateral amendment by the contracting parties at any time.

D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I are 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 applies, 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.

Accepted:

FOR PENNSYLVANIA STATE UNIVERSITY:

FOR THE U.S. GOVERNMENT:



Joseph J. Doncsecz
Associate Vice President for Finance and
Corporate Controller

Betty J. Tingle
Contracting Officer

6/27/19

Date

June 27, 2019

Date

For information concerning this agreement contact:
Betty Tingle, Contracting Officer
Office of Naval Research

Phone: (703) 696-7742
E-mail: betty.tingle@navy.mil