



MAR 12 2001

MANAGEMENT ACCOUNTING SERVICES
UNIVERSITY OF WASHINGTON

DCA Western Field Office
50 United Nations Plaza, Room 347
San Francisco, CA 94102

Jane Wiseman, Director
University of Washington
Management Accounting and Analysis
UW Box 354165
Seattle, WA 98195

MAR 06 2001

Dear Ms. Wiseman:

The original and one copy of a revised indirect cost/fringe benefit Negotiation Agreement are enclosed. 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/fringe benefit costs on grants and contracts with the Federal Government. Please have the original signed by a duly authorized representative of your organization and return it to me, retaining the copy for your files. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

Effective July 1, 2000, sponsored projects conducted in the Roosevelt I Building will be treated as on-campus activities.

An indirect cost and fringe benefit proposal together with required supporting information must be submitted to this office for each fiscal year in which your organization claims indirect costs under grants and contracts awarded by the Federal Government. Thus, an indirect cost proposal for your fiscal year ending June 30, 2003 is due no later than December 31, 2003 and your fringe benefit proposal for fiscal year ending June 30, 2000 is due by May 31, 2001.

Sincerely,

David S. Low
Director

Enclosures

PLEASE SIGN AND RETURN THE ORIGINAL OF THE NEGOTIATION AGREEMENT.

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1916001537A1

DATE: February 15, 2001

INSTITUTION:
University Of Washington
Management Accounting and Analysis
UW Box 354165

FILING REF.: The preceding
Agreement was dated
November 18, 1999

Seattle WA 98195

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)

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
PRED.	07/01/00	06/30/02	52.0	(1) & (A)	(G)
PRED.	07/01/02	06/30/04	51.6	(1) & (A)	(G)
PRED.	07/01/00	06/30/04	26.0	(1) & (B)	(H)
PRED.	07/01/00	06/30/04	55.0	(1) & (A)	(I)
PRED.	07/01/00	06/30/04	26.0	(1) & (B)	(I)
PRED.	07/01/00	06/30/04	30.0	(1) & (C)	(J)
PRED.	07/01/00	06/30/04	60.0	(1) & (C)	(K)
PRED.	07/01/00	06/30/04	17.0	(1) & (D)	
PRED.	07/01/00	06/30/04	33.0	(1) & (E)	
PRED.	07/01/00	06/30/04	25.0	(2) & (F)	
PROV.	07/01/04	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2004.		

- (A) On-Campus
- (B) Off-Campus
- (C) Regional Primate Center
- (D) Applied Physics Laboratory
- (E) Regional Medical Library
- (F) Vessel Operations
- (G) Organized Research
- (H) Organized Research & General Clinical Research Center
- (I) Instruction
- (J) Core Grant Only
- (K) Regional Primate Center Research except Core Grant

***BASE:**

(1) Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Equipment, capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from modified total direct costs.

(2) Direct salaries and wages including vacation, holiday and sick pay and other paid absences but excluding other fringe benefits.

INSTITUTION:
 University Of Washington
 Management Accounting and Analysis

AGREEMENT DATE: February 15, 2001

SECTION I: FRINGE BENEFITS RATES**

RATE TYPES: FIXED		FINAL	PROV. (PROVISIONAL)	PRED. (PREDETERMINED)	
TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
FIXED	07/01/00	06/30/01	21.8	(1) & (A)	Faculty
FIXED	07/01/00	06/30/01	25.3	(1) & (A)	Auxiliary Teaching
FIXED	07/01/00	06/30/01	21.4	(1) & (A)	Residents
FIXED	07/01/00	06/30/01	10.2	(1) & (A)	Graduate Students
FIXED	07/01/00	06/30/01	15.4	(1) & (A)	Post Doctorate
FIXED	07/01/00	06/30/01	28.4	(1) & (B)	Classified Staff
FIXED	07/01/00	06/30/01	24.2	(1) & (B)	Professional Staff
FIXED	07/01/00	06/30/01	10.6	(1) & (A)	Hourly
FIXED	07/01/00	06/30/01	8.4	(1) & (A)	Pre-Doctoral Fellows
FIXED	07/01/00	06/30/01	52.0	(2) & (C)	Classified Staff
FIXED	07/01/00	06/30/01	45.4	(2) & (C)	Professional Staff

- (A) Entire University
- (B) All except Applied Physics Laboratory
- (C) Applied Physics Laboratory

**BASE:

- (1) Direct salaries and wages including vacation, holiday, and sick pay but excluding other fringe benefits.
- (2) Direct salaries and wages excluding vacation, sick leave, holidays, other paid absences and all other fringe benefits.

INSTITUTION:
University Of Washington
Management Accounting and Analysis

AGREEMENT DATE: February 15, 2001

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

This organization uses a fringe benefit rate which is applied to salaries and wages for both budgeting and charging purposes for Federal projects.

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 for the costs of these paid absences are not made.

Beginning October 1, 1996 the Applied Physics Laboratory (APL) has separate fringe benefit rates from the remainder of the University of Washington. These rates include paid absences. Therefore, charges for direct salaries and wages from APL must exclude charges for paid absences, including vacation, sick leave, holidays, and other paid absences.

DEFINITION OF EQUIPMENT

Equipment is defined as tangible nonexpendable personal property having a useful life of more than one year, and an acquisition cost of \$2,000 or more per unit.

The following fringe benefits are treated as direct costs:

TIAA/CREF, HEALTH INSURANCE, MEDICAL AID, INDUSTRIAL INSURANCE, WORKERS COMPENSATION, STATE RETIREMENT, SOCIAL SECURITY, AND UNEMPLOYMENT COMPENSATION.

DEFINITION OF ON-CAMPUS, OFF-CAMPUS AND SPECIAL RATES:

DEFINITION OF OFF-CAMPUS RATE

a. An off-campus program is one that is conducted (1) in leased facilities where space related costs (e.g. rent, utilities and maintenance) are charged directly to the program, or (2) in facilities made available (at no cost) to the program by a non-University organization, or (3) away from the University over an uninterrupted period of time in excess of 30 days for field work. The Off-Campus rate is not to be used as a substitute for the Vessel Operations rate or the Applied Physics Laboratory rate. Even though Pack Forest, Big Beef Creek, and Olympic Natural Resource Center are owned and operated by the University, these facilities are considered to be off campus.

b. Projects conducted at two or more locations:

There are instances where a project supported by a single grant or contract is conducted at two or more locations, thus requiring special consideration in determining the appropriate indirect cost provision. The following should be observed in such circumstances:

(1) Where the total annual amount of the grant or contract direct costs is less than \$250,000, a single indirect cost rate will be applied. This rate will be the one currently applicable to the location where the preponderance of project salaries is located.

(2) Where the total annual amount of the grant or contract direct costs is \$250,000 or more, the appropriate rate for each location will be applied to total project costs in the same ratio as direct salary costs incurred at each location during the period covered by the project billing or accounting.

The Regional Primate Center changed to a dual rate structure beginning July 1, 1997. When applying the rate for RPCR except Core Grant, the difference in recoveries between this rate and the Core Grant only rate shall be retained by the Core Grant.

INSTITUTION:
University Of Washington
Management Accounting and Analysis

AGREEMENT DATE: February 15, 2001

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 Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, 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.

BY THE INSTITUTION:

University Of Washington
Management Accounting and Analysis

(INSTITUTION)

V'ella Warren

(SIGNATURE)

V'ella Warren

(NAME)

Assistant Vice President for Financial Management/
Treasurer, Board of Regents

(TITLE)

March 14, 2001

(DATE)

BY THE COGNIZANT AGENCY

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

David S. Low

(SIGNATURE)

David S. Low

(NAME)

DIRECTOR, DIVISION OF COST ALLOCATION

(TITLE)

February 15, 2001

(DATE) 2129

HHS REPRESENTATIVE: Robert S. Klein

Telephone: (415) 437-7820

UNIVERSITY OF WASHINGTON
FACILITIES AND ADMINISTRATIVE RATES
JULY 1, 2000 THROUGH JUNE 30, 2002

	ORGANIZED RESEARCH		INSTRUCTION		PRIMATE CENTER CORE GRANT	PRIMATE CENTER RESEARCH	APPLIED PHYSICS LAB	REGIONAL MEDICAL LIBRARY	VESSEL OPERATIONS
	On- Campus	Off- Campus	On- Campus	Off- Campus					
BUILDING DEP	5.0		3.4		2.0	2.0	0.0	3.0	0.0
BUILDING INTEREST	3.0		1.3		1.0	1.0	0.0	1.5	0.0
EQUIPMENT DEP	4.0		1.8		0.5	0.5	0.3	4.0	0.8
OPERATIONS & MAIN	12.5		9.9		6.5	28.5	3.0	12.5	0.0
LIBRARY	1.5		12.6		2.0	2.0	0.5	1.5	0.0
FACILITIES		0.0		0.0					
GENERAL ADMIN	8.5		6.5		8.0	8.0	8.4	8.5	8.3
DEPT ADMIN	15.5		12.0		8.0	16.0	2.6	0.0	13.8
SPON PROJ ADMIN	2.0		2.0		2.0	2.0	2.2	2.0	2.1
STUDENT SVCS	0.0		5.5		0.0	0.0	0.0	0.0	0.0
ADMINISTRATIVE		26.0	26.0	26.0	18.0	26.0	13.2	10.5	24.2
TOTAL	52.0	26.0	55.0	26.0	30.0	60.0	17.0	33.0	25.0

CONCUR:

Diana Zbaron
(SIGNATURE)

AVP for Financial Management
TITLE

MAR 22 2002

LIBRARY

UNIVERSITY OF WASHINGTON
 FACILITIES AND ADMINISTRATIVE RATES
 JULY 1, 2002 THROUGH JUNE 30, 2004

EXHIBIT A
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	ORGANIZED RESEARCH		INSTRUCTION		PRIMATE CENTER CORE GRANT	PRIMATE CENTER RESEARCH	APPLIED PHYSICS LAB	REGIONAL MEDICAL LIBRARY	VESSEL OPERATIONS
	On- Campus	Off- Campus	On- Campus	Off- Campus					
BUILDING DEP	4.8		3.4		2.0	2.0	0.0	3.0	0.0
BUILDING INTEREST	3.0		1.3		1.0	1.0	0.0	1.5	0.0
EQUIPMENT DEP	3.8		1.8		0.5	0.5	0.3	4.0	0.8
OPERATIONS & MAIN LIBRARY	12.5		9.9		28.5	28.5	3.0	12.5	0.0
FACILITIES	1.5	25.6	12.6	0.0	2.0	2.0	0.5	1.5	0.0
GENERAL ADMIN	8.5		29.0		12.0	34.0	3.8	22.5	0.8
DEPT ADMIN	15.5		6.5		8.0	8.0	8.4	8.5	8.3
SPON PROJ ADMIN	2.0		12.0		16.0	16.0	2.6	0.0	13.8
STUDENT SVCS	2.0		2.0		2.0	2.0	2.2	2.0	2.1
ADMINISTRATIVE	0.0		5.5		0.0	0.0	0.0	0.0	0.0
TOTAL	51.6	26.0	55.0	26.0	30.0	60.0	17.0	33.0	25.0

CONCERN:

[Handwritten Signature]
 (SIGNATURE)

AVP for Financial Management
 TITLE