



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

Agreement Date: May 31, 2017  
 Supercedes Agreement dated July 5, 2016

**NEGOTIATION AGREEMENT**

**INSTITUTION:** OKLAHOMA STATE UNIVERSITY  
 STILLWATER, OKLAHOMA 74078-1028

The Facilities and Administrative (F&A) rates contained herein are for use on grants, contracts, and/or other agreements issued or awarded to Oklahoma State University 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 at Oklahoma State University for Fiscal Years 2017 through 2020. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2017.

**SECTION I: RATES - TYPE: PREDETERMINED (Pred)**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>ON CAMPUS</u>	<u>OFF CAMPUS</u>	<u>BASE</u>	<u>APPLICABLE TO</u>
<b>Stillwater Campus*</b>						
Pred	7/1/16	6/30/17	54.8%	26.0%	(a)	Instruction
Pred	7/1/17	6/30/20	54.9%	26.0%	(a)	Instruction
Pred	7/1/16	6/30/17	45.8%	25.3%	(a)	Research (1)
Pred	7/1/17	6/30/20	49.6%	26.9%	(a)	Research (1)
Pred	7/1/16	6/30/17	48.6%	28.2%	(a)	Research (2)
Pred	7/1/17	6/30/20	50.8%	28.1%	(a)	Research (2)
Pred	7/1/16	6/30/17	37.9%	26.0%	(a)	Extension
Pred	7/1/17	6/30/20	37.9%	26.3%	(a)	Extension

\*Rates also applicable to Oklahoma State University Research Foundation (formerly known as Oklahoma State University Center for Innovation and Economic Development, Inc. (CIED)).

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>ON CAMPUS</u>	<u>OFF CAMPUS</u>	<u>BASE</u>	<u>APPLICABLE TO</u>
<u>Institute of Technology*</u>						
Pred	7/1/16	6/30/17	53.5%	26.0%	(a)	All Programs
Pred	7/1/17	6/30/20	54.2%	26.0%	(a)	All Programs
<u>Oklahoma City Campus</u>						
Pred	7/1/16	6/30/17	54.0%	26.0%	(a)	All Programs
Pred	7/1/17	6/30/20	54.8%	26.0%	(a)	All Programs
<u>Center for Health Sciences</u>						
Pred	7/1/16	6/30/17	27.6%	17.0%	(a)	All Programs
Pred	7/1/17	6/30/20	27.6%	17.0%	(a)	All Programs
<u>Tulsa Campus</u>						
Pred	7/1/16	6/30/17	65.6%	26.0%	(a)	All Programs
Pred	7/1/17	6/30/20	49.6%	26.0%	(a)	All Programs

\* Formerly Okmulgee Campus

#### DISTRIBUTION BASE

(a) Modified Total Direct Costs (MTDC), as defined in 2 CFR Part 200, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards and up to the first \$25,000 of each subaward (regardless of the period covered by the subawards under the award). MTDC excludes 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.

#### APPLICABLE TO:

(1) Applies to all Non-DOD Instruments, all DOD Grants and other agreements, and to DOD Contracts awarded before November 30, 1993. See Section II, Paragraph E hereof (capped)

(2) Applies to only DOD Contracts awarded on or after November 30, 1993 in accordance with and under the authority of DFARS 231.303(1). See Section II, Paragraph E hereof (uncapped).

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**SECTION II: GENERAL TERMS AND CONDITIONS**

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**A. LIMITATIONS:** Use of the rates set forth under Section I is subject to any statutory or administrative limitations and is 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 all the following conditions: (1) that no costs other than those incurred by the recipient were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the recipient 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, in like circumstances, have been accorded consistent accounting treatment; (4) that the information provided by the recipient, which was used as the basis for the acceptance of the rates agreed to herein and expressly relied upon by the Government in negotiating 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 this agreement was negotiated. Changes to the method(s) of accounting for costs, which affects the amount of reimbursement resulting from the use of these rates, require the written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. 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. PREDETERMINED RATES:** The predetermined rates contained in this agreement are not subject to adjustment in accordance with the provisions of 2 CFR Part 200, subject to the limitations contained in Part A of this section.

**D. USE BY OTHER FEDERAL AGENCIES:** The rates set forth in Section I hereof were 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/or other agreements to which 2 CFR Part 200 is applicable, 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.

**E. APPLICATION OF INDIRECT COST RATES TO DOD CONTRACTS:** In accordance with DFARS 231.303, no limitation (unless waived by the institution) may be placed on the reimbursement of otherwise allowable indirect costs incurred by an institution of higher education under a DOD contract awarded on or after November 30, 1993, unless the same limitation is applied uniformly to all other organizations performing similar work. It has been determined by the Department of Defense that such limitation is not being uniformly applied. Accordingly, the rates cited (1) of Section I, as explained under the title, "APPLICABLE TO" do not reflect the application of the 26% limitation on administrative indirect costs imposed by 2 CFR Part 200, whereas (2) do so.

**F. DFARS WAIVER:** Signature of this agreement by the authorized representative of Oklahoma State University and the Government acknowledges and affirms the University's

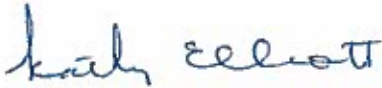
request to waive the prohibition contained in DFARS 231.303(1) and the Government's exercise of its discretion contained in DFARS 231.303(2) to waive the prohibition in DFARS 231.303(1) with the exception of the OSU Stillwater Research Rate. The waiver request by Oklahoma State University is made to simplify the University's overall management of DOD cost reimbursements under DOD contracts.

**G. SPECIAL REMARKS:** The Government's agreement with the rates set forth in Section I is not an acceptance of Oklahoma State University's accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by Oklahoma State University is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:

FOR OKLAHOMA STATE UNIVERSITY:

FOR THE GOVERNMENT:



Kathy N. Elliott  
Associate Vice President and Controller

6/2/17

Date



Linda B. Shipp  
Contracting Officer

6-2-17

Date

*For information concerning this agreement contact:*

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Office of Naval Research

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