



DEPARTMENT OF THE NAVY
 OFFICE OF NAVAL RESEARCH
 875 NORTH RANDOLPH STREET
 SUITE 1425
 ARLINGTON VA 22203-1996

Agreement Date: *February 17, 2009*
 Supersedes Agreement Dated: *July 2, 2008*

NEGOTIATION AGREEMENT

INSTITUTION: **STEVENS INSTITUTE OF TECHNOLOGY**
 HOBOKEN, NJ 07030

The Facilities and Administrative (F&A) cost rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the Stevens Institute of Technology by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR 220. These rates shall be used for forward pricing and billing purposes for the Stevens Institute of Technology Fiscal Year 2009. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2009.

Section I: RATES - TYPE: FIXED WITH CARRYFORWARD PROVISIONS (Fixed)
PROVISIONAL (Prov)
PREDETERMINED (Pred)

<u>Type</u>	<u>From</u>	<u>To</u>	<u>Rate</u>	<u>Base</u>	<u>Applicable To</u>	<u>Location</u>
Fixed	7/1/08	6/30/09	58.0%	(a)	Organized Research (1)	On Campus
Fixed	7/1/08	6/30/09	30.0%	(a)	Organized Research (1)	Off Campus
Fixed	7/1/08	6/30/09	68.0%	(a)	Organized Research (2)	On Campus
Fixed	7/1/08	6/30/09	31.0%	(a)	Organized Research (2)	Off Campus
Prov	7/1/09	Until amended	53.0%	(a)	Organized Research (1)	On Campus
Prov	7/1/09	Until amended	26.0%	(a)	Organized Research (1)	Off Campus
Prov	7/1/09	Until amended	58.0%	(a)	Organized Research (2)	On Campus
Prov	7/1/09	Until amended	30.0%	(a)	Organized Research (2)	Off Campus
Pred	7/1/08	6/30/09	49.0%	(a)	Instruction	On Campus
Pred	7/1/08	6/30/09	26.0%	(a)	Instruction	Off Campus

DISTRIBUTION BASE

- (a) Modified Total Direct Cost (MTDC) as defined in 2 CFR 220, consists of 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 are excluded.

APPLICABLE TO

- (1) Applies to DOD contracts awarded before November 30, 1993, all Non-DOD Instruments, and all DOD grants (See Section II, paragraph H). (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 H). (Uncapped)

SECTION II - GENERAL TERMS AND CONDITIONS

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 grantee/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the grantee/contractor 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; and (4) that the information provided by the contractor/grantee, 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. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates contained in this agreement are based on estimates of the costs for FY 2009. When actual costs for this fiscal year are determined, adjustments will be applied to the next subsequent rate negotiation to recognize the difference between the FY 2009 estimated costs used to establish the fixed rates and the negotiated actual FY 2009 costs.

D. 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 anytime.

E. PREDETERMINED RATES: The predetermined rates contained in this agreement are not subject to adjustment in accordance with the provisions of 2 CFR 220, subject to the limitations contained in Part A of the Section.

F. CARRY FORWARD AMOUNTS: The below carry-forward amounts were considered in the establishment of the FY 2009 rates. The remaining balance of FY 2004 final carry-forward amounts, a portion of the FY 2005 final carry-forward amounts, and a portion of the FY 2006 estimated carry-forward amounts, as follows:

() represents over-recovery	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>Total</u>
Org. Research - On Campus (1)	\$504,944	\$807,451	\$0	\$1,312,395
Org. Research - Off Campus (1)	\$17,132	\$3,001	\$0	\$20,133
Org. Research - On Campus (2)	\$416,812	\$636,028	\$0	\$1,052,840
Org. Research - Off Campus (2)	(\$4,455)	\$4,131	\$323	(\$1)
Instruction - On Campus	(\$432,317)	\$0	\$0	(\$432,317)

G. 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 220. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other transactions to which 2 CFR 220 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 which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

H. APPLICATION OF INDIRECT COST RATES TO DOD CONTRACTS/

SUBCONTRACTS: 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 (2) 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 220, whereas (1) does so.

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

Accepted:

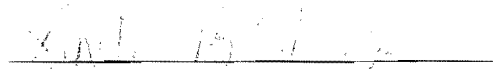
FOR STEVENS INSTITUTE OF TECHNOLOGY: FOR THE U.S. GOVERNMENT:



BARBARA E. DEHAVEN
Executive Director, Office of
Sponsored Research

4.02.09

Date



LINDA B. SHIPP
Contracting Officer

4.02.09

Date

For information concerning this agreement contact:

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