



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

IN REPLY REFER TO:

Agreement Date: May 14, 2018

**NEGOTIATION AGREEMENT**

INSTITUTION: **WORCESTER POLYTECHNIC INSTITUTE**  
**WORCESTER, MA 01609-2280**

The Fringe Benefits rate contained herein is for use on grants, contracts and/or other agreements issued or awarded to Worcester Polytechnic Institute by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR Part 200. This rate shall be used for forward pricing and billing purposes for the Worcester Polytechnic Institute Fiscal Year 2019.

**Section I: RATES - TYPE: PREDETERMINED (PRED)**

**Fringe Benefits Rate:**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
PRED	7/1/18	6/30/19	27.2%	(a)	All	On Campus

DISTRIBUTION BASE

(a) Salaries and wages of faculty and staff including vacation, holiday and sick leave pay and other paid absences of only faculty and staff. Rate does not apply to student employees, research or teaching assistants.

**SECTION II - GENERAL TERMS AND CONDITIONS**

A. **LIMITATIONS:** Use of the rate 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 the rate agreed to herein is predicated upon all the following conditions: (1) that no costs other than those incurred by the recipient/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the recipient/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; (4) that the information provided by the recipient/contractor, which was used as the basis for the acceptance of the rate agreed to herein and expressly relied upon by the Government in negotiating the said rate, is not subsequently found to be materially incomplete or inaccurate.

B. **ACCOUNTING CHANGES:** The rate contained in Section I of this agreement is 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 the rate, 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 rate contained in this agreement is 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 rate set forth in Section I hereof was negotiated in accordance with and under the authority set forth in 2 CFR Part 200. Accordingly, such rate shall be applied to the extent provided in such regulations to grants, contracts and 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. SPECIAL REMARKS:** The Government's agreement with the rate set forth in Section I is not an acceptance of the Worcester Polytechnic Institute's accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by Worcester Polytechnic Institute is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:

FOR WORCESTER POLYTECHNIC  
INSTITUTE:

FOR THE U.S. GOVERNMENT:

  
\_\_\_\_\_  
JEFFREY S. SOLOMON  
Executive Vice President/CFO

5-17-18  
\_\_\_\_\_  
Date

\_\_\_\_\_  
SHEA D. KERSEY  
Contracting Officer

May 21, 2018  
\_\_\_\_\_  
Date

*For information concerning this agreement contact:*  
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Office of Naval Research

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