



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 22, 2018

[Supersedes Agreement dated June 30, 2017]

NEGOTIATION AGREEMENT

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

The Facilities and Administrative (F&A) cost rates contained herein are for use on grants, contracts and other agreements issued or awarded to Worcester Polytechnic Institute 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 Worcester Polytechnic Institute Fiscal Years 2018 through 2021. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2018.

Section I: RATES - TYPE: PREDETERMINED (PRED)

F&A Rates:

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>ON CAMPUS</u>	<u>OFF CAMPUS</u>	<u>BASE</u>	<u>APPLICABLE TO</u>
PRED	7/1/17	6/30/21	53.77%	26.0%	(a)	Organized Research
PRED	7/1/17	6/30/21	45.75%	26.0%	(a)	Instruction
PRED	7/1/17	6/30/21	36.84%	26.0%	(a)	Other Sponsored Activities

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 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.

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 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 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 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. DFARS WAIVER: Signature of this agreement by the authorized representative of Worcester Polytechnic Institute 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). The waiver request by Worcester Polytechnic Institute is made to simplify the University's overall management of DOD cost reimbursements under DOD contracts.

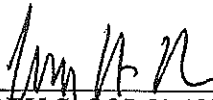
F. SPECIAL REMARKS:

(1) Equipment is defined as nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost equal to or greater than \$5,000, effective July 1, 2011.

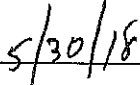
(2) The Government's agreement with the rates set forth in Section I is not an acceptance of the Worcester Polytechnic Institute's accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by Worcester Polytechnic Institute is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:

FOR WORCESTER POLYTECHNIC
INSTITUTE:



JEFFREY S. SOLOMON
Executive Vice President/CFO



Date

For information concerning this agreement contact:
Shea Kersey
Office of Naval Research

FOR THE U.S. GOVERNMENT:

KERSEY.SHEA.DEL
ORES.1049331149
Digitally signed by
KERSEY.SHEA.DELORES.1049331149
DN: c=US, o=U.S. Government, ou=DoD,
ou=PKI, ou=USN,
cn=KERSEY.SHEA.DELORES.1049331149
Date: 2018.05.30 13:37:24 -04'00'

SHEA D. KERSEY
Contracting Officer

May 30, 2018

Date

Phone: (703) 696-2055
E-mail: shea.kersey@navy.mil