

**DEPARTMENT OF THE NAVY**

OFFICE OF NAVAL RESEARCH
875 NORTH RANDOLPH STREET
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ARLINGTON, VA 22203-1995

IN REPLY REFER TO:

Agreement Date: February 2, 2017
Supersedes Agreement Dated: June 24, 2016

NEGOTIATION AGREEMENT

INSTITUTION: **UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99775**

The Employee Fringe Benefit and Leave rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to The University of Alaska (UA) by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by 2 CFR 200. These rates shall be used for forward pricing and billing purposes for UA's Fiscal Year 2017. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2017.

Section I: RATES - TYPE: FIXED (FIXED)

| TYPE | FROM | TO | RATE | | Employee Category |
|-------|--------|---------|----------------------------|----------------------------|---------------------------------|
| | | | Staff Benefits Base (a) | Leave Benefits Base (b) | |
| Fixed | 7/1/16 | 6/30/17 | 54.4% | 22.4% | Classified |
| Fixed | 7/1/16 | 6/30/17 | 54.3% | 23.3% | Classified, AHECTE ¹ |
| Fixed | 7/1/16 | 6/30/17 | 46.4% | 21.9% | APT ² Exempt |
| Fixed | 7/1/16 | 6/30/17 | 28.8% | 20.0% | Executive |
| Fixed | 7/1/16 | 6/30/17 | 28.8% | 20.0% | Non-Union Faculty (12 mos) |
| Fixed | 7/1/16 | 6/30/17 | 28.8% | 6.2% | Non-Union Faculty (<12 mos) |
| Fixed | 7/1/16 | 6/30/17 | 30.5% | 12.7% | UNAC ³ Faculty |
| Fixed | 7/1/16 | 6/30/17 | 33.5% | 11.9% | UAFT ⁴ Faculty |
| Fixed | 7/1/16 | 6/30/17 | 9.7% | 0.0% | Adjunct Faculty |
| Fixed | 7/1/16 | 6/30/17 | 9.5% | 0.0% | Temporary/FICA Student |
| Fixed | 7/1/16 | 6/30/17 | 39.3% | 0.7% | Extended Temporary |
| Fixed | 7/1/16 | 6/30/17 | 0.0% | 0.0% | Student |

Notes: ¹Alaska Higher Education Crafts and Trade Employees

²Administrative/Professional/Technical

³United Academics

⁴University of Alaska Federation of Teachers

DISTRIBUTION BASES

- (a) Staff benefits rates are applied to base salaries plus overtime, miscellaneous pay, and leave accrual provisions.
- (b) Leave benefits rates are applied to base salaries excluding: overtime, miscellaneous pay, and paid leave.

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 the rates agreed to herein is predicated upon all of the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in this indirect cost pool as finally accepted and that 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 have been accorded consistent accounting treatment; and (4) that the information provided by the grantee/contractor, which was used as the basis for acceptance of the rates agreed to herein and expressly relied upon by the Government in negotiating and accepting 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 the agreement was negotiated. Changes to the method(s) of accounting for costs which affect 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 costs 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 in this agreement are based on estimates of the costs for FY 2017. When actual costs for the period are determined, an adjustment will be made to the rates of a future year to recognize the difference between the FY 2017 estimated costs used to establish the fixed rates and the negotiated actual FY 2017 costs.

D. CARRY-FORWARD AMOUNTS: The fixed rates set forth in Section I are inclusive of the following estimated FY 2014 and FY 2015 carry-forward amounts: () Denotes Over-Recovery

| <u>Employee Category</u> | <u>FY 2015</u> | | <u>FY 2014</u> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | <u>STAFF</u> <u>BENEFITS</u> | <u>LEAVE</u> <u>BENEFITS</u> | <u>LEAVE</u> <u>BENEFITS</u> |
| Classified | \$309,200 | \$90,300 | |
| Classified, AHECTE ¹ | (\$35,200) | \$13,400 | |
| APT ² Exempt | \$636,000 | \$562,300 | |
| Executive, Non-Union Faculty (12 mos) | (\$391,400) | \$373,000 | |

| | FY 2015 | | FY 2014 |
|-----------------------------|-------------------|-------------------|-------------------|
| | STAFF BENEFITS | LEAVE BENEFITS | LEAVE BENEFITS |
| Non-Union Faculty (<12 mos) | * | (\$14,900) | |
| UNAC ³ Faculty | (\$806,700) | \$401,100 | |
| UAFT ⁴ Faculty | (\$347,800) | \$103,300 | |
| Adjunct Faculty | (\$99,600) | \$0 | |
| Temporary/FICA Student | (\$7,200) | \$0 | |
| Extended Temporary | (\$39,600) | (\$9,600) | (\$11,600) |
| Student | \$0 | \$0 | |

*Job group Non-Union Faculty - <12 mo. is included in the Exec & Non-Union Faculty – 12 mo. group for staff benefit purposes but is separate for leave benefit purposes.


E. 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 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other transactions to which 2 CFR 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.


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

Accepted:

FOR UNIVERSITY OF ALASKA:

FOR THE U.S. GOVERNMENT:


 Myron Dosch
 Acting Chief Financial Officer


 Beth A. Snyder
 Contracting Officer

February 2, 2017
 Date


 Date

For information concerning this agreement contact:

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