



## DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Program Support Center  
Financial Management Service  
Division of Cost Allocation  
Central States Field Office

March 6, 2007

1301 Young Street  
Room 732  
Dallas, Texas 75202  
(214)-767-3261  
(214)-767-3264 FAX

Mr. Jeff Wagner  
Business Office Manager  
St. Cloud State University  
Business Office  
720 Fourth Avenue South  
St. Cloud, MN 56301-4498

Dear Mr. Wagner:

A copy of a facilities and administrative cost Rate Agreement is being faxed to you for signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for facilities and administrative costs on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and fax it to me, retaining a copy for your files. Our fax number is (214) 767-3264. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

A facilities and administrative cost proposal, together with supporting information, is required each year to substantiate claims made for facilities and administrative costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending June 30, 2011 is due in our office by December 31, 2011.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Henry Williams", written over a horizontal line.

Henry Williams  
Director  
Division of Cost Allocation  
Central States Field Office

Enclosures

PLEASE SIGN AND RETURN THE ORIGINAL OF THE RATE AGREEMENT

## COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1416007162A8

DATE: March 7, 2007

## INSTITUTION:

St. Cloud State University  
 Business Office  
 720 Fourth Avenue South  
 St. Cloud

MN 56301-4498

FILING REF.: The preceding  
 Agreement was dated  
 July 31, 2003

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

## SECTION I: FACILITIES AND ADMINISTRATIVE COST RATES\*

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
PRED.	07/01/06	06/30/07	30.0	On Campus	All Programs
PRED.	07/01/06	06/30/07	15.0	Off Campus	All Programs
PRED.	07/01/07	06/30/10	33.0	On Campus	All Programs
PRED.	07/01/07	06/30/10	16.0	Off Campus	All Programs
PROV.	07/01/10	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2010.		

## \*BASE:

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, 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). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

INSTITUTION:  
St. Cloud State University

AGREEMENT DATE: March 7, 2007

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**SECTION II: SPECIAL REMARKS**

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**TREATMENT OF FRINGE BENEFITS:**

Fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

**TREATMENT OF PAID ABSENCES:**

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these paid absences are not made.

**OFF-CAMPUS DEFINITION:** For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

**Equipment Definition -**

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

**FRINGE BENEFITS:**

FICA

Retirement

Disability Insurance

Life Insurance

Health Insurance

INSTITUTION:  
St. Cloud State University

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SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER:

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:  
St. Cloud State University

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Henry Williams

(NAME)

DIRECTOR, DIVISION OF COST ALLOCATION-

(TITLE) CENTRAL STATES FIELD OFFICE

March 7, 2007

(DATE) 5073

HHS REPRESENTATIVE: Narendra B. Gandhi

Telephone: (214) 767-3230