



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

26 Federal Plaza, Room 3412  
New York, NY 10278  
PHONE: (212) 264-2069  
EMAIL: CAS-NY@psc.hhs.gov

May 9, 2018

Mr. Thomas S. McGurty  
Vice President For Finance and Treasurer  
Tufts University  
169 Holland Street  
Somerville, MA 02144

Dear Mr. McGurty:

A negotiation agreement is being sent to you for signature. This agreement reflects an understanding reached between your institution and a member of my staff concerning the rates or amounts that may be used to support your claim for costs on grants and contracts with the Federal Government. Please have the agreement signed by an authorized representative of your organization and returned to me by email, retaining the copy for your files. Our email address is CAS-NY@psc.hhs.gov. We will reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

Requirements for adjustments to costs claimed under Federal Grants and Contracts resulting from this negotiation are dependent upon the type of rate contained in the negotiation agreement. Information relating to these requirements is enclosed.

In consideration of this agreement, the following was agreed to:

1. The following under/(over) recoveries resulting from the settlement of your fringe benefit rate for fiscal year ended June 30, 2017 were considered in establishing fixed rates for fiscal year ending June 30, 2019. The under/(over) recovery must be included in your fringe benefit proposal based on actual expenses for fiscal year ending June 30, 2019.

	<u>Carry-Forward Amounts</u>
Full Time Faculty and Employees	\$ 1,166,004
Mandated (Part Time Faculty and Employees)	(\$ 172,258)
Post Doctoral Fellows	(\$ 162,346)
Faculty Summer Supplement	(\$ 27,598)

2. A fringe benefit proposal for fiscal year ending June 30, 2018 is due on December 31, 2018.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2019 is due in our office by 12/31/2019. Please submit your next proposal electronically via email to [CAS-NY@psc.hhs.gov](mailto:CAS-NY@psc.hhs.gov).

In addition, please acknowledge your concurrence with the comments and conditions cited above by signing this letter in the space provided below and email it to me with the enclosed negotiation agreement.

Sincerely,

Darryl W.  
Mayes -S

Digitally signed by Darryl W. Mayes  
-S  
DN: c=US, o=U.S. Government,  
ou=HHS, ou=PSC, ou=People,  
0.9.2342.19200300.100.1.1=20001  
31669, cn=Darryl W. Mayes -S  
Date: 2018.05.30 08:36:29 -0400

Darryl W. Mayes  
Deputy Director  
Cost Allocation Services

Enclosures

Concurrence:

*Thomas A. McGurty*  
Name

*V.P. Finamore*  
Title

*6/5/18*  
Date

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN: 1042103634A5

DATE:05/09/2018

ORGANIZATION:

FILING REF.: The preceding agreement was dated 06/19/2017

Tufts University  
169 Holland St., Tufts Admin. Bldg.  
Somerville, MA 02144-2401

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: INDIRECT COST RATES**

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

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2017	06/30/2020	65.00	On-Campus	Research 2
PRED.	07/01/2017	06/30/2020	56.00	On-Campus	Research 3
PRED.	07/01/2017	06/30/2020	37.00	On-Campus	OSP 2
PRED.	07/01/2017	06/30/2020	37.00	On-Campus	OSP 3
PRED.	07/01/2017	06/30/2020	64.00	On-Campus	Instruction 2
PRED.	07/01/2017	06/30/2020	60.00	On-Campus	Instruction 3
PRED.	07/01/2017	06/30/2020	26.00	Off-Campus	All Programs
PROV.	07/01/2020	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

\*BASE

ORGANIZATION: Tufts University

AGREEMENT DATE: 5/9/2018

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Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude 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. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

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**SECTION I: FRINGE BENEFIT RATES\*\***

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2017	6/30/2018	29.30	All	FT Fac. & Emp.
FIXED	7/1/2017	6/30/2018	8.20	All	Mandated Fac. & Emp.
FIXED	7/1/2017	6/30/2018	18.60	All	Post Doc. Fellows
FIXED	7/1/2017	6/30/2018	17.10	All	Fac. Summer Supplement
FIXED	7/1/2018	6/30/2019	29.30	All	FT Fac. & Emp.
FIXED	7/1/2018	6/30/2019	7.80	All	Mandated Fac. & Emp.
FIXED	7/1/2018	6/30/2019	17.00	All	Post Doc. Fellows
FIXED	7/1/2018	6/30/2019	16.40	All	Fac. Summer Supplement
PROV.	7/1/2019	6/30/2021	29.00	All	FT Fac. & Emp.
PROV.	7/1/2019	6/30/2021	8.20	All	Mandated Fac. & Emp.
PROV.	7/1/2019	6/30/2021	18.60	All	Post Doc. Fellows
PROV.	7/1/2019	6/30/2021	17.10	All	Fac. Summer Supplement

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) 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 are not made for the cost of these paid absences.

1. The rates in this Agreement have been negotiated to reflect the administrative cap provisions of the revisions to Appendix III to Part 200 of Uniform Guidance—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), C.8. dated December 26, 2013 published by the office of Management and Budget. No rate affecting the institution's fiscal period beginning on or after October 1, 1991 contains total administrative cost components in excess of that 26 percent cap.

2. Rates are applicable to the Health Sciences (Boston and Grafton) Campuses which include the following: Sackler School of Graduate Biomedical Sciences, School of Dental Medicine, School of Medicine, Cummings School of Veterinary Medicine and the Gerald J. and Dorothy R. Friedman School of Nutrition Science and Policy (excluding the Famine Center).

3. Rates are applicable to the Medford/Somerville Campus which includes the following: College of Liberal Arts and Jackson College, School of Engineering, Graduate School of Arts and Sciences, Graduate School of Engineering, Fletcher School of Law and Diplomacy, Tisch College of Citizenship and Public Service and the Dorothy R. Friedman School of Nutrition Science and Policy's Famine Center, and the School of the Museum of Fine Arts.

4. The fringe benefit costs listed below are reimbursed to the grantee through the direct fringe benefit rate: Retirement Plan, Health Insurance, Group Life Insurance, Social Security, Benefits Administration, Workmen's Compensation, Unemployment Compensation, Tuition Remission\*\*, Tuition Reimbursement, Massachusetts Medical Security Trust, Long-Term Disability, Sabbatical Leave, Change in year-end accrual balance for Compensated Absences and Post Retirement Health Care Benefits.

Applicable to Mandated Time F.B. Rate: Social Security, Workmen's Compensation and Unemployment Compensation.

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Applicable to Post Doc. Fellows: Health Insurance, Social Security, Workmen's Compensation and Benefits Administration.

Applicable to Faculty Summer Supplement: Social Security, Pension and Workmen's Compensation.

\*\*Effective 7/1/99 tuition support for dependents of Tufts University employees is no longer an allowable fringe benefit expense and is not included in the approved rates.

5. All activities performed in facilities not owned by the organization and to which rent is directly allocated to the project(s), the off-site rate will apply. Actual costs will be apportioned between on-site and off-site components. Each portion will bear the appropriate rate.

This rate agreement updates fringe benefit rates only.

\*\* The next fringe benefit proposal based on actual costs for the fiscal year ending 06/30/2018 is due in our office by 12/31/2018.

\*\* The next F&A proposal based on actual costs for the fiscal year ending 06/30/2019 is due in our office by 12/31/2019.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

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AGREEMENT DATE: 5/9/2018

**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 Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, 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:

Tufts University

(INSTITUTION)

(SIGNATURE)

THOMAS S. MCGURTY

(NAME)

VP FINANCE & TREASURER

(TITLE)

6/5/18

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes - S

Digitally signed by Darryl W. Mayes - S  
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,  
ou=People, 0.9.2342.19200300.100.1.1=2000131669,  
cn=Darryl W. Mayes - S  
Date: 2018.05.30 08:35:22 -0400

(SIGNATURE)

Darryl W. Mayes

(NAME)

Deputy Director, Cost Allocation Services

(TITLE)

5/9/2018

(DATE) 6887

HHS REPRESENTATIVE:

Michael Stanco

Telephone:

(212) 264-2069