



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

7700 Wisconsin Avenue, Suite 2301  
Bethesda, MD 20814  
PHONE: (301) 492-4855  
FAX: (301) 492-5081  
EMAIL: [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov)

May 8, 2020

Sidney H. Evans, Jr.  
VP for Finance and Management  
Morgan State University  
1700 E. Cold Spring Lane  
Truth Hall 307  
Baltimore, MD 21251

Dear Mr. Evans:

A copy of an indirect cost rate agreement is being sent 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 indirect costs on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and return to me by email, retaining the copy for your files. Our email address is [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov). We will reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect cost under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2022 is due in our office by 12/31/2022. Please submit your next proposal electronically via email to [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov).

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, email=, serial=16200300110011, cn=Darryl W. Mayes -S  
Date: 2020.05.13 08:44:53 -0400

Darryl W. Mayes, Deputy Director  
Cost Allocation Services

Enclosure

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL

## COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 52-6002033

DATE:05/08/2020

ORGANIZATION:

FILING REF.: The preceding  
agreement was dated  
05/25/2017

Morgan State University  
1700 E. Cold Spring Lane  
Truth Hall 307  
Baltimore, MD 21251

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.

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### SECTION I: Facilities And Administrative Cost Rates

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RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)                  PRED. (PREDETERMINED)				
<u>EFFECTIVE PERIOD</u>				
<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%) LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2019	06/30/2023	51.00 On-Campus	Organized Research
PRED.	07/01/2019	06/30/2023	62.00 On-Campus	Instruction
PRED.	07/01/2019	06/30/2023	38.00 On-Campus	Other Sponsored Activities
PRED.	07/01/2019	06/30/2023	26.00 Off-Campus	All Programs
PROV.	07/01/2023	Until Amended		Use same rates and conditions as those cited for fiscal year ending June 30, 2023.

\*BASE

ORGANIZATION: Morgan State University

AGREEMENT DATE: 5/8/2020

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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, student 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.

ORGANIZATION: Morgan State University

AGREEMENT DATE: 5/8/2020

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## **SECTION II: SPECIAL REMARKS**

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### TREATMENT OF FRINGE BENEFITS:

The 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 are not made for the cost of these paid absences.

OFF-CAMPUS DEFINITION: For all activities performed in facilities not owned by the institution and to which rent is directly allowed to the project(s) the off-campus rate will apply. Grants or contracts will not be subject to more than one F&A cost rate. If more than 50% of a project is performed off-campus, the off-campus rate will apply to the entire project.

Fringe Benefits include: FICA/Medicare, Retirement, Tuition Remission, TIAA/CREF, Workers' Compensation, Unemployment Insurance, and Health Insurance.

Per 2 CFR 200.414(g) - A rate extension has been granted.

The next indirect cost proposal based on actual costs for the fiscal year ending 06/30/2022 is due in our office by 12/31/2022.

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.

ORGANIZATION: Morgan State University

AGREEMENT DATE: 5/8/2020

### 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:

Morgan State University

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(NAME) Darryl W. Mayes -

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(SIGNATURE)

for

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

5/8/2020

(DATE) 4626

HHS REPRESENTATIVE: Ernest Kinneer

Telephone: (214) 767-3261

# COMPONENTS OF PUBLISHED FACILITIES AND ADMINISTRATIVE COST RATE

Institution:

**Morgan State University**

FY Covered by Rate:

07/01/2019 thru 06/30/2023

Type of Rate:

**Organized Research**

## RATE COMPONENTS:

	ON	OFF
Bldg. & Improv - Depr/Use Allow	7.84	
Equipment - Depr/Use Allow	2.55	
Land & Infrastructure Depreciation	0.56	
Operations & Maintenance	13.20	
Library	0.85	
Administrative Component Total	26.00	26.00
	<b>51.00</b>	<b>26.00</b>

Instruction	
ON	OFF
7.00	
2.00	
2.00	
17.00	
8.00	
26.00	26.00
<b>62.00</b>	<b>26.00</b>

Other Sponsored Activity	
ON	OFF
2.00	
1.00	
0.90	
6.10	
2.00	
26.00	26.00
<b>38.00</b>	<b>26.00</b>

CONCURRENCE:

  
Signature

Sidney H. Evans Jr.  
Name

Vice President for Financial & Management  
Title

July 26, 2020  
Date