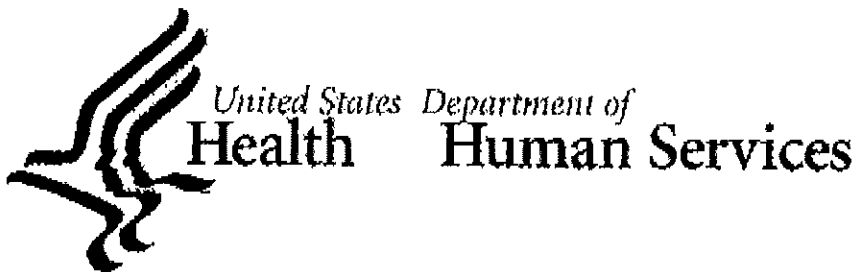


Confidential

PROGRAM SUPPORT CENTER
FINANCIAL MANAGEMENT SERVICE
DIVISION OF COST ALLOCATION
CENTRAL STATES FIELD OFFICE
Dallas, Texas



FAX TRANSMISSION

To:	Terry Johnson	From:	Theodore A. Foster 214-767-3411
Fax:	319-353-2089	Number Of Pages:	9
Phone:	319-335-2791	Date:	3/20/2013
Re:	Rate Agreement	CC:	

- Urgent** **For Review** **Please Comment** **Please Reply** **Please Recycle**

● **Comments:**

Please fax back only the signed page of the agreement to fax number 214-767-3264. A fax cover sheet is not required.

THANK YOU.



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

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

March 20, 2013

Mr. Terry L. Johnson
Associate Vice President for Finance and Operations and Controller
University of Iowa
105 Jessup Hall
Iowa City, IA 52242

Dear Mr. Johnson:

The original and one copy of a facilities and administrative cost and fringe benefit Rate Agreement are enclosed. 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 original 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.

The Fixed Fringe Benefit cost rate(s) for the fiscal year ending June 30, 2013 are based on actual costs for the fiscal year ended June 30, 2011. They included the following under-recovered (-) or over-recovered (+) costs:

Clinical Faculty:	\$2,893,765 Over recovery amount
Fellows:	(\$112,259) Under recovery amount
Post Doctoral/Graduate Assistants:	\$100,142 Over recovery amount
General Services Staff:	(\$4,471,656) Under recovery amount
Non-Clinical Faculty:	\$3,028,777 Over recovery amount
Professional & Scientific:	\$1,206,340 Over recovery amount
Temporary Staff:	(\$1,088,382) Under recovery amount
Composite:	\$164,570 Over recovery amount

The fixed rate(s) for fiscal year ended June 30, 2011 is considered final.

The Fixed Fringe Benefit cost rate(s) for the fiscal year ending June 30, 2014 are based on actual costs for the fiscal year ended June 30, 2012. They included the following under-recovered (-) or over-recovered (+) costs:

Clinical Faculty:	\$2,744,202 Over recovery amount
Fellows:	(\$208,677) Under recovery amount
Post Doctoral/Graduate Assistants:	\$1,114,454 Over recovery amount
General Services Staff:	\$1,971,551 Over recovery amount
Non-Clinical Faculty:	\$2,063,881 Over recovery amount
Professional & Scientific:	\$9,926,765 Over recovery amount
Temporary Staff:	(\$1,498,084) Under recovery amount
Composite:	\$11,361 Over recovery amount

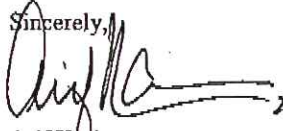
The fixed rate(s) for fiscal year ended June 30, 2012 is considered final.

Mr. T.L. Johnson
March 20, 2013
Page 2 of 2

A Fringe Benefit cost proposal, together with supporting information and the certified audit financial statement, is required each year. Thus, your next Fringe Benefit cost proposal based on actual costs for the fiscal year ending June 30, 2013 is due in our office by December 31, 2013. Your next Facilities and Administrative cost rate proposal based on actual costs for the fiscal year ending June 30, 2013 is due in our office by December 31, 2013.

Since this is an integral part of the negotiation agreement, please note your acceptance by signing in the space provided below of this letter.

Thank you for your cooperation.

Sincerely,

Arif Karim
Director
Division of Cost Allocation

Enclosures

ACCEPTANCE

University of Iowa
Institution


Signature

Douglas K. True
Name

Sr. Vice President and Treasurer
Title

April 8, 2013
Date

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1426004813A1
 ORGANIZATION:
 University of Iowa
 105 Jessup Hall
 Iowa City, IA 52242

DATE:03/20/2013
 FILING REF.: The preceding
 agreement was dated
 03/08/2012

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)
<u>EFFECTIVE PERIOD</u>					
<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2009	06/30/2011	50.00	On Campus	Organized Research
PRED.	07/01/2011	06/30/2014	51.00	On Campus	Organized Research
PRED.	07/01/2009	06/30/2014	48.00	On Campus	Instruction
PRED.	07/01/2009	06/30/2014	28.50	On Campus	Other Spon. Act.
PRED.	07/01/2009	06/30/2014	26.00	Off Campus	All Programs
PROV.	07/01/2014	Until Amended		Use same rates and conditions as those cited for fiscal year ending June 30, 2014.	

*BASE

ORGANIZATION: University of Iowa

AGREEMENT DATE: 3/20/2013

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: University of Iowa

AGREEMENT DATE: 3/20/2013

SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2012	6/30/2013	22.60	All	Clinical Faculty
FIXED	7/1/2012	6/30/2013	11.00	All	Fellows
FIXED	7/1/2012	6/30/2013	19.50	All	Post Docs & G.A.
FIXED	7/1/2012	6/30/2013	57.00	All	General Service Staff
FIXED	7/1/2012	6/30/2013	27.70	All	Non-Clinical Faculty
FIXED	7/1/2012	6/30/2013	38.00	All	Professional & Scientific
FIXED	7/1/2012	6/30/2013	11.50	All	Temporary Staff
FIXED	7/1/2012	6/30/2013	3.80	All	Composite
FIXED	7/1/2013	6/30/2014	21.40	All	Clinical Faculty
FIXED	7/1/2013	6/30/2014	10.00	All	Fellows
FIXED	7/1/2013	6/30/2014	15.80	All	Post Docs & G.A.
FIXED	7/1/2013	6/30/2014	51.00	All	General Service Staff
FIXED	7/1/2013	6/30/2014	27.80	All	Non-Clinical Faculty
FIXED	7/1/2013	6/30/2014	34.50	All	Professional & Scientific
FIXED	7/1/2013	6/30/2014	11.70	All	Temporary Staff
FIXED	7/1/2013	6/30/2014	4.40	All	Composite

ORGANIZATION: University of Iowa

AGREEMENT DATE: 3/20/2013

PROV.	7/1/2014	Until amended	"Use same rates and conditions as those cited for fiscal year ending June 30, 2014."
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** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

ORGANIZATION: University of Iowa

AGREEMENT DATE: 3/20/2013

SECTION II: SPECIAL REMARKS

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.

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. 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.

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

Worker's Compensation

Life Insurance

Unemployment Insurance

Health Insurance

Dental Insurance

Waiver of TIAA CREF Retirement Premium for Personnel on disability

Early Retirement Incentive Program

Vacation & Sick Leave Termination Payouts

Post Employment Retiree Benefit

Death Benefit

Dividend Allocation

ORGANIZATION: University of Iowa

AGREEMENT DATE: 3/20/2013

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 purposed 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, 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:

University of Iowa

(INSTITUTION)

(SIGNATURE)

Douglas K. True

(NAME)

Sr. Vice President and Treasurer

(TITLE)

April 8, 2013

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Arif Karim

(NAME)

Director, Division of Cost Allocation

(TITLE)

3/20/2013

(DATE) 7021

HHS REPRESENTATIVE:

Theodore Foster

Telephone:

(214) 767-3261