



DEPARTMENT OF THE NAVY
 OFFICE OF NAVAL RESEARCH
 875 NORTH RANDOLPH STREET
 SUITE 1425
 ARLINGTON, VA 22203-1995

September 19, 2023

[Supersedes Rate Agreement Dated: June 20, 2023]

NEGOTIATION AGREEMENT

**INSTITUTION: GEORGIA INSTITUTE OF TECHNOLOGY
 GEORGIA TECH RESEARCH CORPORATION
 ATLANTA, GEORGIA 30332**

The Facilities and Administrative (F&A) rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the Georgia Institute of Technology/Georgia Tech Research Corporation (GIT/GTRC) by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR Part 200. These rates shall be used for forward pricing and billing purposes for GIT/GTRC's Fiscal Years 2024 and 2025. This rate agreement supersedes all previous rate agreements related to these rates for Fiscal Year 2024.

Section I: RATES - TYPE: PREDETERMINED (PRED)

F&A Rates:

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Pred	7/1/2023	6/30/2025	57.4%	(a)	Organized Research (1)	On Campus
Pred	7/1/2023	6/30/2025	26.0%	(a)	Organized Research (1)	Off Campus
Pred	7/1/2023	6/30/2025	66.5%	(a)	Organized Research (2)	On Campus
Pred	7/1/2023	6/30/2025	35.2%	(a)	Organized Research (2)	Off Campus
Pred	7/1/2023	6/30/2025	36.7%	(a)	Other Sponsored Activities	On Campus
Pred	7/1/2023	6/30/2025	52.8%	(a)	Sponsored Instruction	On Campus

DISTRIBUTION BASES

(a) Modified Total Direct Costs (MTDC) means 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). MTDC excludes 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.

APPLICABLE TO

- (1) Applies to DOD contracts awarded before November 30, 1993, all Non-DOD Instruments, and all DOD grants (See Section II, paragraph E). (Capped)
- (2) Applies to only DOD contracts awarded on or after November 30, 1993 in accordance with and under the authority of DFARS 231.303(1) (See Section II, paragraph E). (Uncapped)

SECTION II - GENERAL TERMS AND CONDITIONS

A. LIMITATIONS: Use of the rates set forth under Section I is subject to availability of funds and to any other statutory or administrative limitations. The rates are 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 any or all of the rates agreed to herein is predicated upon the following conditions: (1) that no costs other than those incurred by the institution were included in this indirect cost pool as finally accepted and that such costs are legal obligations of the institution 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 institution which was used as a 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 prior written approval of the authorized representative of the cognizant agency for indirect costs. Such changes include but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowances.

C. PREDETERMINED RATES: The predetermined rates contained in this agreement are not subject to adjustment in accordance with the provisions of 2 CFR Part 200, subject to the limitations contained in Part A of this section.

D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I are negotiated in accordance with and under the authority set forth in 2 CFR Part 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts, and other agreements to which 2 CFR Part 200 applies, 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.

E. APPLICATION OF INDIRECT COST RATES TO DEPARTMENT OF DEFENSE (DOD) CONTRACTS: In accordance with DFARS 231.303, no limitation may be placed on the reimbursement of otherwise allowable indirect cost incurred by an institution of higher education under a DoD contract awarded on or after November 30, 1993, unless the same

limitation is applied uniformly to all other organizations performing similar work. It has been determined by DoD that such limitation is not being uniformly applied. Accordingly, the rates cited (2) of Section I, as explained under the title, "APPLICABLE TO" do not reflect the application of the 26% limitation on administrative indirect costs imposed by 2 CFR Part 200, whereas (1) does so.


F. **DFARS WAIVER:** Signature of this agreement by the authorized representative of GIT/GTRC and the Government acknowledges and affirms the University's request to waive the prohibition contained in DFARS 231.303(1) and the Government's exercise of its discretion contained in DFARS 231.303(2) to waive the prohibition in DFARS 231.303(1). The waiver request by GIT/GTRC for Other Sponsored Activities and Sponsored Instruction is made to simplify the University's overall management of DoD cost reimbursements under DoD contracts.

G. **SPECIAL REMARKS:** The Government's agreement with the rates set forth in Section I is not an acceptance of the GIT/GTRC's accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by GIT/RI is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:

FOR GEORGIA INSTITUTE OF TECHNOLOGY:
GEORGIA TECH RESEARCH CORP.

FOR THE U.S. GOVERNMENT:

DocuSigned by:

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Cynthia Hope, ^{AVP}VP for Research, Administration
VP GTRC/GTARC

Betty J. Tingle
Contracting Officer

9/20/2023 | 10:34 AM EDT

Date

Date

For information concerning this agreement contact:

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