



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

Cohen Building-Room 1067
330 Independence Avenue, S.W.
Washington, DC 20201
PHONE: (202)-401-2808
FAX: (202)-619-3379

September 21, 2009

Mr. Manuel Martinez-Maldonado
Vice President for Finance
University of Louisville Research Foundation, Inc.
Grawemeyer Hall, Room 108
Louisville, KY 40292

Dear Mr. Martinez-Maldonado:

The original and one copy of the facilities and administration (F&A) cost Rate Agreement are enclosed. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the rates that may be used to support your claim for F&A costs on grants and contracts awarded by the Federal Government.

Please have the original signed by an authorized representative of your organization and return it to me, retaining a copy for your files. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

The Office of Management and Budget (OMB) has requested that we reach an agreement with each institution on the components of the published F&A cost rates. The attached form(s) are provided for that purpose. Please sign the form(s) and return them to me with the original Rate Agreement.

An F&A cost proposal, together with the supporting information, are required to substantiate your claim for F&A costs under grants and contracts awarded by the Federal Government. Thus, your next F&A proposal based on actual costs for the fiscal year ending 6/30/12 is due in our office by 12/31/12.

Sincerely,

Darryl W. Mayes
National Director
Division of Cost Allocation

Enclosures

PLEASE SIGN AND RETURN THE "ORIGINAL" RATE AGREEMENT AND
COMPONENTS OF PUBLISHED RATES FORMS

INSTITUTION:
University of Louisville
Research Foundation, Inc.

AGREEMENT DATE: September 21, 2009

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 / 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 Louisville
Research Foundation, Inc.

(INSTITUTION)

(SIGNATURE)

William M. Pierce Jr., Ph.D.

(NAME)

Interim Executive Vice President for Research

(TITLE)

October 5, 2009

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

Department of Health and Human Services

(AGENCY)

(SIGNATURE)

Darryl Mayes

(NAME)

Director

Division of Cost Allocation

(TITLE)

September 21, 2009

(DATE) 0304

HHS REPRESENTATIVE: Arif Karim

Telephone: (202) 401-2808

ORIGINAL

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 61-1029626

DATE: September 21, 2009

INSTITUTION:
University of Louisville
Research Foundation, Inc.
Grawemeyer Hall, Room 108
Louisville

FILING REF.: The preceding
Agreement was dated
February 12, 2008

KY 40292-

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.	07/01/09	06/30/12	49.0	On-Campus	Organized Research			
PRED.	07/01/12	06/30/13	50.0	On-Campus	Organized Research			
PRED.	07/01/09	06/30/13	26.0	Off-Campus	Organized Research			
PRED.	07/01/09	06/30/13	40.0	On-Campus	Instruction			
PRED.	07/01/09	06/30/13	26.0	Off-Campus	Instruction			
PRED.	07/01/09	06/30/13	36.0	On-Campus	Other Spons Activity			
PRED.	07/01/09	06/30/13	26.0	Off-Campus	Other Spons Activity			
PROV.	07/01/13	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2013.					

*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, 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.

INSTITUTION:
University of Louisville
Research Foundation, Inc.

AGREEMENT DATE: September 21, 2009

SECTION II: SPECIAL REMARKS

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 are not made for the costs 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.

Fringe Benefits include: FICA, Retirement, Life Insurance, Major Medical Insurance and Long-Term Disability.

Other Fringe Benefits (Workers' Compensation, Unemployment Compensation, Tuition Remission and Prior Service Retirement Premium) are treated as indirect costs.

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.

This agreement applies to the University of Louisville and the University of Louisville Research Foundation, Inc.

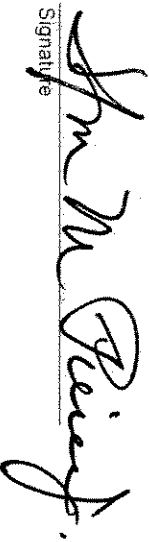
COMPONENTS OF PUBLISHED FACILITIES AND ADMINISTRATIVE COST RATE

ORIGINAL

Institution: University of Louisville
 FY Covered by Rate: July 01, 2009 - June 30, 2013

Type of Rate:	Organized Research		Instruction		Other Spons Activities	
	ON FY '10 - '12	On FY '13	On FY '10 - '13	OFF FY '10 - '13	On FY '10 - '13	OFF FY '10 - '13
RATE COMPONENTS:						
Bldg & Improv - Depr/Use Allow	3.5	3.8	1.0		1.0	
Equipment - Depr/Use Allow	2.6	2.9	0.5		0.5	
Interest	2.0	2.2	0.2		0.1	
Operations & Maintenance	13.5	13.7	5.3		7.2	
Library	1.4	1.4	7.0		1.2	
Administrative Component	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>	<u>26.0</u>
Total	49.0	50.0	40.0	26.0	36.0	26.0

CONCURRENCE:

Signature: 

Name: William M. Pierce Jr., Ph.D.

Title: Interim Executive Vice President for Research

Date: October 5, 2009