



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

7700 Wisconsin Ave, Suite 201  
Bethesda, MD 20814  
PHONE: (301) 492-4855  
FAX: (301) 492-5081  
EMAIL: [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov)

May 14, 2019

Ms. Lorrean Lim  
Director, Financial Analysis  
& Treasury Services  
275 Administration Building  
Memphis, TN 38152-3370

Dear Ms. Lim:

A copy of a facilities and administrative (F&A) cost and fringe benefit (FB) Rate Agreement are being emailed to you for your signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning F&A and FB rates that may be used to support your claim for these indirect costs on grants and contracts with the Federal Government.

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

In addition, your FB cost rates for fiscal year ending June 30, 2019 based on actual costs for the fiscal year June 30, 2017 and FB cost rates for fiscal year ending June 30, 2020 based on actual costs for fiscal year ended June 30, 2018 over-recovered (+) or under-recovered (-) amounts are listed below:

	2017/2019	2018/2020
<b>Salaried</b>	\$1,235,073)	\$(1,077,204)
<b>Hourly</b>	\$1,005,904	\$(1,062,137)
<b>Temporary – No Insurance</b>	\$(42,593)	\$103,752
<b>Temporary - Insurance</b>	(\$123,419)	\$119,957
<b>Student G/A</b>	(\$168,640	(\$12,345)

The fixed rates for fiscal year ended June 30, 2017 and June 30, 2018 are considered final.

Ms. Lorrean Lim  
May 14, 2019  
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A FB cost proposal, together with supporting information and the certified audit financial statement, is required each year. Thus, your next FB cost proposal based on actual costs for the fiscal year ending June 30, 2019 is due in our office by December 31, 2019. Your next F&A proposal based on actual costs for the fiscal year ending June 30, 2020 is due in our office by December 31, 2020.

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

Thank you for your cooperation.

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=200013166  
9, cn=Darryl W. Mayes -S  
Date: 2019.05.21 09:27:02 -0400

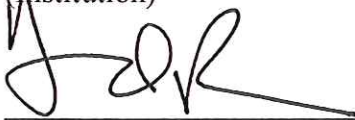
Darryl W. Mayes, Deputy Director  
Cost Allocation Services

Enclosures

ACCEPTANCE:

The University of Memphis

(Institution)



(Signature)

President

(Title)

M. David Russo

(Name)

5.30.2019

(Date)

## COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1620648618A1

DATE: 05/14/2019

ORGANIZATION:

University of Memphis  
275 Administration Bldg  
Memphis, TN 38152-3370

FILING REF.: The preceding  
agreement was dated  
04/18/2018

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: INDIRECT COST RATES

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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	06/30/2021	43.50	On-Campus	Organized Research
PRED.	07/01/2017	06/30/2021	55.00	On-Campus	Instruction
PRED.	07/01/2017	06/30/2021	35.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2017	06/30/2021	26.00	Off-Campus	All Programs
PROV.	07/01/2021	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2021.

\*BASE

ORGANIZATION: University of Memphis

AGREEMENT DATE: 5/14/2019

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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.

ORGANIZATION: University of Memphis

AGREEMENT DATE: 5/14/2019

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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	7/1/2018	6/30/2019	35.30	All	Salary Employees
FIXED	7/1/2018	6/30/2019	52.40	All	Hourly Employees
FIXED	7/1/2018	6/30/2019	7.50	All	Temporary Employees - No Insurance
FIXED	7/1/2018	6/30/2019	19.80	All	Temporary Employees - Insurance
FIXED	7/1/2018	6/30/2019	1.90	All	Student/GA
FIXED	7/1/2019	6/30/2020	35.60	All	Salary Employees
FIXED	7/1/2019	6/30/2020	51.20	All	Hourly Employees
FIXED	7/1/2019	6/30/2020	8.10	All	Temporary Employees - No Insurance
FIXED	7/1/2019	6/30/2020	31.70	All	Temporary Insurance - Insurance
FIXED	7/1/2019	6/30/2020	0.80	All	Student/GA
PROV.	7/1/2020	Until amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2020.

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

ORGANIZATION: University of Memphis

AGREEMENT DATE: 5/14/2019

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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.

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 means 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 include: FICA, Retirement, Life Insurance, Unemployment Insurance, Health Insurance, Scholarship Benefits, Compensated Absences, Terminal Pay, Death Benefits and Workers' Compensation.

This Rate Agreement applies to the University of Memphis and the University of Memphis Research Foundation (EIN 20-5400381).

\*This Rate Agreement is for Fringe Benefit Rates only.\*

Your next Fringe Benefit cost proposal based on actual costs for the fiscal year ending 6/30/19 is due in our office by 12/31/19 and your next F&A proposal based on actual costs for the fiscal year ending June 30, 2020 is due in our office by December 31, 2020.

ORGANIZATION: University of Memphis

AGREEMENT DATE: 5/14/2019

### 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:

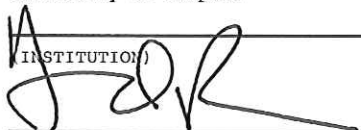
The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies 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:

University of Memphis

  
(INSTITUTION)

(SIGNATURE)

M. David Russo  
(NAME)

President  
(TITLE)

5.30.2019  
(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

  
-S  
Digitally signed by Darryl W. Mayes-S  
DN: c=US, o=U.S. Government, ou=HHS,  
ou=PSC, ou=People,  
0.9.2342.19200300.1001.1=2009131669,  
cn=Darryl W. Mayes-S  
Date: 2019.05.21 09:26:14 -0400

(SIGNATURE)

for Arif Karim  
(NAME)

Director, Cost Allocation Services  
(TITLE)

5/14/2019  
(DATE) 7075

HHS REPRESENTATIVE: Shon Turner

Telephone: (214) 767-3261