



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

Agreement Date: August 19, 2013  
Supersedes agreement dated August 30, 2012

---

## NEGOTIATION AGREEMENT

---

Institution: Stanford University  
Stanford, California 94305

The Facilities and Administrative (F&A) rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to Stanford University by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR 220. These rates shall be used for forward pricing and billing purposes for Stanford University's Fiscal Years 2013 and 2014. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Years 2013.

---

### Section I: Rates - Type: PREDETERMINED (Pred)

---

#### FY 2013:

Type	From	To	Rate	Base	Applicable To	Location
Pred	9/1/12	8/31/13	57.0%	(a)	Organized Research	On Campus
Pred	9/1/12	8/31/13	30.2%	(a)	Organized Research	Off Campus
Pred	9/1/12	8/31/13	59.8%	(a)	Sponsored Instruction	On Campus
Pred	9/1/12	8/31/13	32.0%	(a)	Sponsored Instruction	Off Campus
Pred	9/1/12	8/31/13	46.0%	(a)	Other Sponsored Activities	On Campus
Pred	9/1/12	8/31/13	31.0%	(a)	Other Sponsored Activities	Off Campus
Pred	9/1/12	8/31/13	71.6%	(b)	Animal Care	VSC *

#### FY 2014:

Type	From	To	Rate	Base	Applicable To	Location
Pred	9/1/13	8/31/14	60.5%	(a)	Organized Research	On Campus
Pred	9/1/13	8/31/14	30.4%	(a)	Organized Research	Off Campus
Pred	9/1/13	8/31/14	57.5%	(a)	Sponsored Instruction	On Campus
Pred	9/1/13	8/31/14	36.3%	(a)	Sponsored Instruction	Off Campus
Pred	9/1/13	8/31/14	61.6%	(a)	Other Sponsored Activities	On Campus
Pred	9/1/13	8/31/14	36.9%	(a)	Other Sponsored Activities	Off Campus
Pred	9/1/13	8/31/14	77.9%	(b)	Animal Care	VSC

\*Veterinary Service Center (VSC).

### DISTRIBUTION BASES:

(a) Modified Total Direct Cost (MTDC), consisting of salaries and wages, fringe benefits, materials and supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract. Equipment, capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from modified total direct costs. Equipment is defined as having an acquisition cost which equals or exceeds \$1,500 and a useful life of more than one year for equipment acquired on or before August 31, 2003. Beginning September 1, 2003, equipment is defined as having an acquisition cost which equals or exceeds \$5,000 and a useful life of more than one year.

(b) VSC direct costs.

---

## **SECTION II - GENERAL TERMS AND CONDITIONS**

---

**A. LIMITATIONS:** Use of the rates set forth under Section I is subject to any statutory or administrative limitations and is 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 all the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the grantee/contractor 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, in like circumstances, have been accorded consistent accounting treatment; (4) that the information provided by the contractor/grantee, which was used as the basis for the acceptance of the rates agreed to herein and expressly relied upon by the Government in negotiating 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 this agreement was negotiated. Changes to the method(s) of accounting for costs, which affects the amount of reimbursement resulting from the use of these rates, require the written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. 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 220, subject to the limitations contained in Part A of this section.

**D. USE BY OTHER FEDERAL AGENCIES:** The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in 2 CFR 220. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other transactions to which 2 CFR 220 is applicable, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other Federal agencies which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

**E. DFARS WAIVER:** Signature of this agreement by the authorized representative of Stanford University 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 Stanford University is made to simplify the University's overall management of DOD cost reimbursements under DOD contracts.

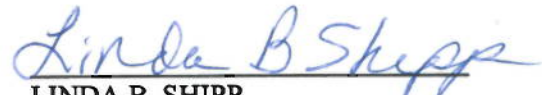
**F. SPECIAL REMARKS:** The Government's agreement with the rates set forth in Section I is not an acceptance of the Stanford University's accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by Stanford University is on a non-precedence-setting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

FOR STANFORD UNIVERSITY:

  
\_\_\_\_\_  
RANDALL S. LIVINGSTON  
Vice President for Business Affairs  
and Chief Financial Officer

August 19, 2013  
\_\_\_\_\_  
Date

FOR THE U.S. GOVERNMENT:

  
\_\_\_\_\_  
LINDA B. SHIPP  
Contracting Officer

8-20-13  
\_\_\_\_\_  
Date

*For information concerning this agreement contact:*

Linda B. Shipp ([linda.shipp@navy.mil](mailto:linda.shipp@navy.mil))  
Office of Naval Research, Indirect Cost Branch/BD0242  
875 N. Randolph Street, Suite 1425 (Room 368), Arlington, VA 22203  
(703) 696-8559, FAX: (703) 696-2870