



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

IN REPLY REFER TO:

Agreement Date: September 30, 2020

NEGOTIATION AGREEMENT

**INSTITUTION: STANFORD UNIVERSITY
 STANFORD, CALIFORNIA 94305**

The Facilities and Administrative (F&A) Cost 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 Part 200. These rates shall be used for forward pricing and billing purposes for the Stanford University Fiscal Years 2021 through 2022. This rate agreement supersedes all previous rate agreements/determinations related to these rates for Fiscal Years 2021 and 2022.

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.	9/1/20	8/31/21	57.7%	(a)	Organized Research	On Campus
Pred.	9/1/20	8/31/21	29.3%	(a)	Organized Research	Off Campus
Pred.	9/1/20	8/31/21	35.0%	(a)	Sponsored Instruction	On Campus
Pred.	9/1/20	8/31/21	27.7%	(a)	Sponsored Instruction	Off Campus
Pred.	9/1/20	8/31/21	35.9%	(a)	Other Sponsored Activities	On Campus
Pred.	9/1/20	8/31/21	29.2%	(a)	Other Sponsored Activities	Off Campus
Pred.	9/1/20	8/31/21	75.0%	(a)	Animal Care	VSC*

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Pred.	9/1/21	8/31/22	57.4%	(a)	Organized Research	On Campus
Pred.	9/1/21	8/31/22	29.2%	(a)	Organized Research	Off Campus
Pred.	9/1/21	8/31/22	35.0%	(a)	Sponsored Instruction	On Campus
Pred.	9/1/21	8/31/22	27.7%	(a)	Sponsored Instruction	Off Campus
Pred.	9/1/21	8/31/22	36.0%	(a)	Other Sponsored Activities	On Campus
Pred.	9/1/21	8/31/22	29.2%	(a)	Other Sponsored Activities	Off Campus
Pred.	9/1/21	8/31/22	72.0%	(a)	Animal Care	VSC*

*Veterinary Service Center (VSC)

DISTRIBUTION BASES

(a) Modified Total Direct Cost (MTDC) 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). 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.

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. **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 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.

Accepted:

FOR STANFORD UNIVERSITY:



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

Sep 30, 2020

Date

FOR THE U.S. GOVERNMENT:

SNYDER.BETH
A.1379326664

Digitally signed by
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Date: 2020.09.30 16:49:52
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BETH A. SNYDER
Contracting Officer

9/30/2020

Date

For information concerning this agreement contact:

Beth Snyder
Office of Naval Research

Phone: (703) 696-5755
E-mail: beth.snyder@navy.mil

To: Stanford Research Community

From: Stella Hu
Director, Cost and Management Analysis

Date: September 30th, 2020
Updated on October 9th, 2020

Subject: FY2021 and FY2022 Final Facilities & Administrative Rates

Stanford and the Office of Naval Research (ONR) have agreed on final Facilities and Administrative (F&A, or Indirect Cost) rates for University fiscal years 2021 and 2022. These rates are effective beginning September 1, 2020.

The final negotiated rates are as follows:

Type of Activity	Final FY2021 9/1/2020- 8/31/2021	Final FY2022 9/1/2021- 8/31/2022
On-Campus Organized Research	57.7%	57.4%
Off-Campus Organized Research	29.3%	29.2%
On-Campus Sponsored Instruction	35.0%	35.0%
Off-Campus Sponsored Instruction	27.7%	27.7%
On-Campus Other Sponsored Activities	35.9%	36.0%
Off-Campus Other Sponsored Activities	29.2%	29.2%
Animal Care Indirect Cost Rate	75.0%	72.0%

Application of Rates

Performance Start Date: September 1, 2020 through August 31, 2022

For competitive proposals, new awards, or competitive segments with a period of performance start date on or after September 1, 2020, costs will be subject to the final FY21 rates in FY21 and to the final FY22 rates beginning September 1, 2021. The FY22 rates will remain in effect (“fixed”) for the life of the award or until the next competitive segment.

Example: for an on-campus research award that begins in FY2021 and continues through FY2022, and FY2023, 57.7% would be applied for FY2021, 57.4% would be applied for FY2022 and all subsequent years (because we do not have rates in place for years after FY2022).

Please forward this message to others in your department or lab who might not have received it. If you have any questions about the application of these rates, please contact your representative in the Office of Sponsored Research, the Research Management Group, or Engineering Research Administration.

If you have any questions regarding the rates themselves please contact Stella Hu at (650) 721-5985 (stellahu@stanford.edu) or Lisa Ciambrone at (650) 725-4246 (Lisa.Ciambrone@stanford.edu).

SELECTING THE CORRECT FISCAL YEAR BURDEN SCHEDULE FOR AWARDS* SUBJECT TO ONR NEGOTIATED RATES

If the award start date is within the following date range: (1)	Then select the schedule starting with FYxx (2)	Applicable Negotiated F&A Rates in Schedule (3)		Provisional Rate Signed/Dated (8)	Final Rate Signed/Dated (8)	Comments
9/1/21 To 8/31/22	FY22	FY22 All prior	Fixed for Life at the FY22 rate	N/A	9/30/20	Rate agreement covers FY21 and FY22. See Stanford rate announcement memo date September 30, 2020.
9/1/20 through 8/31/21	FY21	FY21 All prior	Fixed for Life at the FY22 rate	N/A	9/30/20	Rate agreement covers FY21 and FY22. See Stanford rate announcement memo date September 30, 2020.
8/27/19 through 8/31/20	FY20	FY20 All prior	Fixed for Life at the FY20 rate	N/A	8/27/19	Final FY20 rate agreement dated 8/27/19. Awards with Performance Start Dates on or after August 27, 2019: These awards are subject to the final FY2020 rates. The FY2020 rates will remain in effect ("fixed") for the life of the award or until the next competitive submission.
NIH awards with start dates on or after 09/27/2019	FY20	FY20 All prior	Fixed for Life at the FY20 rate	N/A	8/27/19	See SoM waiver approved by Kathleen Thomson. If the awarded F&A was based on our FY19 rate, contact the sponsor to request the award be revised to the final FY20 rates. If NIH does not honor the FY20 rate, the SoM grants a waiver to allow the FY19 rate to be applied through the life of the current award until the next competitive segment.
NIH awards with start dates between 08/27/2019 and 09/26/2019	FY19	FY19 All prior	Fixed for Life at the FY19 rate	9/13/2018	8/27/19	See SoM waiver approved by Kathleen Thomson. The final FY19 rate will remain in effect for the life of the competitive segment. The SoM grants a waiver to allow the FY19 rate to be applied through the life of the current award until the next competitive segment.
9/1/18 through 8/26/19	FY19	FY19 All prior	Fixed for Life at the FY19 rate	9/13/2018	8/27/19	Final FY19 rate agreement dated 8/27/19. The final rates exactly match Provisional FY19 F&A rate agreement dated 9/13/18. No change needs to be made to the F&A rates for Awards with start date 9/1/2018 which currently have FY19 provisional rates (which are exactly the same as FY19 Final rates); those awards will be fixed for life at the final rate.
9/1/17 through 8/31/18	FY18	FY18 All prior	Fixed for Life at the FY18 rate	N/A	8/2/16	Rate agreement covers FY17 and FY18. See Stanford rate announcement memo date Aug 2, 2016.
8/2/16 through 8/31/17	FY17	FY18 FY17 All prior	Fixed for Life at the FY18 rate	N/A	8/2/16	
5/20/15 through 8/1/16	FY16	FY16 FY15 All prior	Fixed for Life at the FY16 rate	N/A	5/20/15	ONR rate agreement for final FY15 and final FY16 F&A rates dated 5/20/15. Provisional FY15 F&A rate agreement dated 8/19/14. Awards with start dates on or after 5/20/15 will include the final FY15 F&A rates and will be fixed for life at the final FY16 F&A rates. Award with start dates 8/19/14 through 5/19/15 will be fixed for life at the final FY15 F&A rate.
8/19/14 through 5/19/15	FY15	FY15 FY14 All prior	Fixed for Life at the FY15 rate	8/19/14	5/20/15	
8/19/13 through 8/18/14	FY14	FY14 FY13 All Prior	Fixed for Life at the FY14 rate	N/A	8/19/13	ONR rate agreement for final FY14 and final FY13 F&A rates dated 8/19/2013. Provisional FY13 F&A rate agreement dated 8/30/12. Awards with start dates on or after 8/19/13 will include the final FY14 F&A rates and will be fixed for life at the final FY14 F&A rates. Award with start dates 8/30/12 through 8/18/13 will be fixed for life at the final FY13 F&A rates.

8/30/12 through 8/18/13	FY13	FY13 FY12 All Prior	Fixed for Life at the FY13 rate	8/30/12	8/19/13	FY13 F&A rates did not change from provisional rates. See memo "FY2013 and FY2014 Final Facilities & Administrative Rates" dated 8/22/13 which waives FY14 rates to lower FY13 rates in certain instances. Use the FY13 burden schedules for these waivers.
8/5/11 through 8/29/12	FY12	FY12 FY11 All Prior	Fixed for life at the FY12 rate	N/A	8/5/11	ONR rate agreement for final FY11 F&A rates and final FY12 F&A rates dated 8/5/11. Provisional FY11 F&A rates dated 8/23/10. F&A on these awards is fixed for life at the final FY11 F&A rates except for the following rates that were waived by the DoR and SOM to the FY11 provisional rates: (These final FY11 rates went up.) Research Off Campus – waived to 30% Sponsored Instruction On Campus – waived to 60% Other Sponsored Activity (OSA) On Campus – waived to 40% Please note – The waved rates were applied to the FY11 burden schedules only. All burden schedules for years after FY11 will include the negotiated rates. The final FY11 F&A rates will be applied retroactively to the beginning of the FY11 fiscal year The adjustments to F&A will be posted in Aug 2011.
8/23/10 through 8/04/11	FY11	FY11 FY10 All Prior	Fixed for life at the FY11 rate	8/23/10	8/5/11	
9/1/09 through 8/22/10	FY10	FY10 FY09 All Prior	Fixed for Life at the FY10 rate	8/21/08 (8)	10/10/08 (8)	Rate agreement covers FY09 and FY10. See Stanford rate announcement memos dated Oct 10, 2008 for final rates and August 21, 2008 for provisional rates (7).
8/21/08 through 8/31/09	FY09	FY10 FY09 All Prior	Fixed for Life at the FY10 rate			
If the award start date is within the following date range: (1)	Then select the schedule starting with FYxx (2)	Applicable Negotiated F&A Rates in Schedule (3)		Provisional Rate Signed/Dated (8)	Final Rate Signed/D ated (8)	Comments
9/01/07 through 8/20/08	FY08	FY08 All Prior	Fixed for life at the FY08 rate	N/A	8/31/06	Rate agreement covers FY07 and FY08. See Stanford final rate announcement memo dated August 31, 2006.
8/31/06 through 8/31/07	FY07	FY08 FY07 All Prior	Fixed for life at the FY08 rate	N/A	8/31/06	Rate agreement covers FY07 and FY08. See Stanford final rate announcement memo dated August 31, 2006.(9)
9/01/05 through 8/30/06	FY06	FY06 FY05 All Prior	Fixed for life at FY06 rate	N/A	7/01/04	Rate agreement covers FY05 and FY06. See Stanford final rate announcement memo dated July 6, 2004.
7/01/04 through 8/31/05	FY05	FY06 FY05 All Prior	Fixed for life at FY06 rate			
9/01/03 through 6/30/04	FY04	FY04 All Prior	Fixed for life at FY04 rate	7/27/02	9/18/02	Rate agreement covers FY03 and FY04. See Stanford rate announcement memos dated September 24, 2002 for final rates and July 29, 2002 for provisional rates.
7/27/02 Through 8/31/03	FY03	FY04 FY03 All Prior	Fixed for life at FY04 rate			
9/01/01 through 7/26/02	FY02	FY02 All Prior	Fixed for life at FY02 rate	1/21/00	7/6/00	Rate agreement covers FY02 and FY01. See Stanford rate announcement memos dated July 6, 2000 for final rates and January 25, 2000 for provisional rates.

9/01/00 through 8/31/01	FY01	FY02 FY01	Fixed for life at FY02 rate			
9/01/99 through 8/31/00	FY00	FY00 All Prior	Fixed for life at FY00 rate See exceptions at (4).	6/28/99	10/4/99	Awards with start dates on or after 1/21/00 through 8/31/00 use the FY00 schedule. The lower FY00 rates were applied for this period and the awards were fixed for life at the FY00 rate. See exceptions at (4). See Stanford rate announcement memos dated October 4, 1999 for final rates and June 23, 1999 for provisional rates.
9/01/98 through 8/31/99	FY99	FY99 All Prior	Fixed for life at FY99 rate See Appendix A for special guidance and exceptions at (5).	9/1/98	6/28/99	See special guidance at Appendix A. Also awards with start dates on or after 6/28/99 through 8/31/99 use the FY99 rates. The lower FY99 rates were applied for this period and the awards were fixed for life at the FY99 rate. See exceptions at (5). See Stanford rate announcement memos dated June 23, 1999 for final rates and September 1, 1998 for provisional rates.
Prior through 8/31/98	FY98	FY98 All Prior	Fixed at the FY98 rate See exceptions at (6).	9/2/97	6/9/98	Awards with start dates during FY98 and prior and with periods of performance ending in or after FY98 are fixed at this rate. (6) See Stanford rate announcement memos dated June 12, 1998 for final rates and September 2, 1997 for provisional rates.

* Includes Competitive Segments Notes to schedule are on page 3

Notes to Schedule

- (1) Award start date is the (period of performance) start date of the award/competitive segment.
- (2) Oracle burden schedules exist from FY98 (9/01/97) onward. Fixed for life (OMB A-21) was adopted for FY99.
- (3) "All Prior" means all schedules include all final fiscal year rates prior to the dates indicated back to FY98 unless otherwise noted.
- (4) Awards subject to the Sponsored Instruction On/Off Campus rates and the OSA rate must use the FY01/02 rates if they have start dates on or after 1/21/00 through 8/31/00. These awards are assigned the FY00, FY01 and FY02 rates and are fixed for life at the FY02 rate. The sponsored instruction and OSA rates went down for FY01/02.
- (5) Awards subject to the Organized Research Off Campus rate must use the FY00 rate if they have start dates on or after 6/28/99 through 8/31/99. These awards are assigned the FY99 and FY00 rates and are fixed for life at the FY00 rate. The Organized Research Off Campus rate went down for FY00.
- (6) Awards with start dates prior to FY98 were charged at the rate in effect for each fiscal year. These awards that are still active in FY98 as well as all awards with start dates during FY98 are fixed at the FY98 rate.
- (7) Be careful. Two memos dated August 22, 2008 exist about the provisional FY09/10 rates. One memo misquotes the On/Off Campus Sponsored Instruction rate incorrectly as 26.6%/26.6%. The revised memo quotes the correct rates of 26.5%/26.5% and is referenced on the Stanford Rate page. The memo "Application of Facilities & Administrative Rates at Stanford" documents the application of F&A rates in more detail.
- (8) Starting with the FY09/10 provisional rate agreement, the rate agreements have an agreement date. We are using the agreement date in lieu of the signature dates to identify the effective date of the agreement. The agreement date is the date the parties to the agreement intend the rate agreement to be effective. If there is no agreement date, we will use the last signature date.
- (9) The memo "Application of Facilities & Administrative Rates at Stanford" documents the application of F&A rates in more detail. This memo does not note the 8/31/06 date as there is only one sponsored award PAAVD that started on that date. However, this is the date that we first apply the FY07/FY08 rates to awards per this document. (PAAVD has a correct burden schedule – FY07_RSCH_ON_GOV)