



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

IN REPLY REFER TO:

Agreement Date: May 10, 2021

[Supersedes Agreement Dated: September 22, 2020]

---

## NEGOTIATION AGREEMENT

---

INSTITUTION: **CALIFORNIA INSTITUTE OF TECHNOLOGY  
PASADENA, CALIFORNIA 91125**

The Staff Benefit rate contained herein is for use on grants, contracts and/or other agreements issued or awarded to the California Institute of Technology (Caltech) by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR Part 200. The rate shall be used for forward pricing and billing purposes for Caltech's Fiscal Year 2021. This rate agreement supersedes all previous rate agreements/determinations related to this rate for Fiscal Year 2021.

---

### Section I: RATES - TYPE: FIXED

---

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
Fixed	10/1/20	9/30/21	27.2%	(a)	Organized Research (except JPL)	All

### DISTRIBUTION BASE

- (a) Total salaries and wages of faculty and staff (excluding graduate assistants) including vacation, holiday, and sick leave. (Leave consists of accrued paid leave for bi-weekly salary and hourly employees and actual paid leave for monthly employees).

---

### SECTION II - GENERAL TERMS AND CONDITIONS

---

A. **LIMITATIONS:** Use of the rate set forth under Section I is subject to availability of funds and to any other statutory or administrative limitations. The rate 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 the rate 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 rate agreed to herein, and expressly relied upon by the Government in negotiating and accepting the said rate is not subsequently found to be materially incomplete or inaccurate.

**B. ACCOUNTING CHANGES:** The rate contained in Section I of this agreement is based on the accounting system in effect at the time this agreement was negotiated. Changes to the method(s) of accounting for costs, which affect the amount of reimbursement resulting from the use of this rate, 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. FIXED RATES WITH CARRY-FORWARD PROVISIONS:** The fixed rate contained in this agreement is based on estimates of the costs for FY 2021. When actual costs for this fiscal year are determined, adjustments will be applied to a subsequent rate negotiation for a subsequent fiscal year to recognize the difference between the FY 2021 estimated costs used to establish the fixed rate and the negotiated actual FY 2021 costs.

**D. CARRYFORWARD AMOUNTS:** The following carry-forward amounts were included in the establishment of the FY 2021 rate:

<u>Liquidated in FY 21 Fixed Rate</u>	
<u>Fiscal Year</u>	<u>Amount</u>
FY 2018 Estimated	\$ 400,000
FY 2019 Estimated	\$(1,141,790)

( ) Denotes over-recovery

**E. USE BY OTHER FEDERAL AGENCIES:** The rate set forth in Section I is negotiated in accordance with and under the authority set forth in 2 CFR Part 200. Accordingly, such rate 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.

**F. SPECIAL REMARKS:** The Government's agreement with the rate set forth in Section I is not an acceptance of Caltech's accounting practices or methodologies. Any reliance by the

Government on cost data or methodologies submitted by Caltech is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:  
FOR THE CALIFORNIA INSTITUTE  
OF TECHNOLOGY:



SHARON E. PATTERSON  
Associate Vice President for Finance  
and Treasurer

5/11/2021  
Date

FOR THE U.S. GOVERNMENT:

---

R. BRIAN BRADLEY  
Contracting Officer

13 MAY 2021

---

Date

*For information concerning this agreement contact:*

Sharon Gales  
Office of Naval Research  
875 North Randolph Street  
Arlington, VA 22203-1995

Phone: (703) 696-8559  
E-mail: sharon.gales@navy.mil