



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

IN REPLY REFER TO:

Agreement Date: April 29, 2026
[Supersedes Agreement Dated: August 29, 2025]

NEGOTIATION AGREEMENT

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

The Facilities and Administrative (F&A) cost rates contained herein are 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. These rates shall be used for forward pricing and billing purposes for Caltech's Fiscal Years 2026 and 2027. This rate agreement supersedes all previous rate agreements/determinations related to these rates for Fiscal Years 2026 and 2027.

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	10/1/2025	9/30/2026	70.00%	(a)	Organized Research (except JPL)	On-Campus
PRED	10/1/2025	9/30/2026	24.95%	(a)	Organized Research (except JPL)	Off-Campus
PRED	10/1/2026	9/30/2027	70.00%	(a)	Organized Research (except JPL)	On-Campus
PRED	10/1/2026	9/30/2027	23.80%	(a)	Organized Research (except JPL)	Off-Campus

*F&A rates include HHS Salary Cap consideration.

DISTRIBUTION BASE

- (a) Modified Total Direct Costs (MTDC) includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 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 \$50,000.

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 (e.g., award term with indirect rate cap). 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 rate contained in this agreement is 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. CARRY FORWARD AMOUNTS: The rates set forth in this agreement do not include the liquidation of any prior year carry-forward amounts.

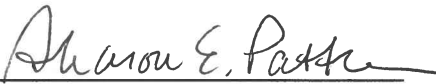
E. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I are negotiated in accordance with and under the authority set forth in 2 CFR Part 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts and other agreements to which 2 CFR Part 200 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.

F. DFARS WAIVER: Signature of this agreement by the authorized representative of California Institute of Technology 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 California Institute of Technology is made to simplify the University's overall management of DoD cost reimbursements under DoD contracts.

G. SPECIAL REMARKS: The Government's agreement with the rates 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
Chief Financial Officer and
Treasurer

Date April 30, 2026

FOR THE U.S. GOVERNMENT:

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SHEA K. MITCHELL
Contracting Officer

30 April 2026

For information concerning this agreement contact: Date

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