



## DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Program Support Center  
Financial Management Service  
Division of Cost Allocation7700 Wisconsin Avenue, Suite 2301  
Bethesda, MD 20814  
PHONE: (301)492-4855  
FAX: (301) 492-5081

September 12, 2013

Mr. Prianga Sugathapala  
Manager Grants & Restricted Accounts  
Palm Beach State College  
1200 Congress Ave.  
Lake Worth, FL 33461

Dear Mr. Sugathapala,

A copy of an indirect cost Rate Agreement is being faxed to you for signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for indirect costs on grants and contracts with the Federal Government.

Please have the original signed by an authorized representative of your organization and fax it to me, retaining the copy for your files. Our fax number is (301) 492-5081. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2016, is due in our office by 12/31/2016.

Sincerely,

Darryl W. Mayes  
Director, Mid-Atlantic Field Office  
Division of Cost Allocation

Enclosures

PLEASE SIGN AND FAX A COPY OF THE RATE AGREEMENT

**ORIGINAL****COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN: 59-1216000

DATE:09/12/2013

ORGANIZATION:

FILING REF.: The preceding  
agreement was dated  
08/02/2010

Palm Beach State College

4200 Congress Ave.

Lake Worth, FL 33461-

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.

**SECTION I: Facilities And Administrative Cost Rates**

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.	07/01/2013	06/30/2017	38.65	On-Campus	All Programs
PRED.	07/01/2013	06/30/2017	14.25	Off-Campus	All Programs
PROV.	07/01/2017	06/30/2019			Use same rates and conditions as those cited for fiscal year ending June 30, 2017.

\*BASE

Total direct costs excluding capital expenditures (building, individual items of equipment; alterations and renovations), and that portion of each subaward in excess of \$25,000.

ORGANIZATION: Palm Beach State College

AGREEMENT DATE: 9/12/2013

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SECTION II: SPECIAL REMARKS

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits 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.

Fringe Benefits include: FICA, Medical, Dental, Vision, Disability, Retirement, State Unemployment Insurance, and Life Insurance.

Equipment means an 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.

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ORGANIZATION: Palm Beach State College

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**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 Office of Management and Budget Circular A-21, and should be applied to grants, contracts and other agreements covered by this Circular, 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:**

Palm Beach State College

(INSTITUTION)

(SIGNATURE)

*Richard A. Becker*

Richard A. Becker

(NAME)

VP Administration & Business Svcs.

(TITLE)

9/23/13

(DATE)

**ON BEHALF OF THE FEDERAL GOVERNMENT:**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

*Darryl W. Mayes*

Darryl W. Mayes

(NAME)

Deputy Director, Division of Cost Allocation

(TITLE)

9/12/2013

(DATE) 1635

HHS REPRESENTATIVE:

Lucy Siow

Telephone:

(301) 492-4855