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 II: Facilities And Administrative Cost Rates**

<table>
<thead>
<tr>
<th>TYPE</th>
<th>FROM</th>
<th>TO</th>
<th>RATE(%) LOCATION</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2015</td>
<td>47.00 On Campus</td>
<td>All Programs</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/2012</td>
<td>06/30/2015</td>
<td>26.00 Off Campus</td>
<td>All Programs</td>
</tr>
<tr>
<td>PROV.</td>
<td>07/01/2015</td>
<td>Until Amended</td>
<td>Use same rates and conditions as those cited for FYB 12/31/14.</td>
<td>All Programs</td>
</tr>
</tbody>
</table>

**BASE**

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first $25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000.
SECTION II: SPECIAL REMARKS

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. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

Equipment Definition - 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.

FRINGE BENEFITS:

FICA
TIAA/CGRF
Retirement
Worker's Compensation
Life Insurance
Unemployment Insurance
Health Insurance
Tuition Remission for Staff Only
Disability Insurance
SECTION III: GENERAL

A. LIMITATIONS:
The rates in this Agreement are subject to any administrative limitations and apply to a given grant, contract, or other agreement only to the extent that funds are available. The limitations are subject to the following conditions: (1) Only costs incurred by the organization will be included in the facilities and administrative costs pool as ‘familly accepted’ when costs are included obligations of the organization and are allowable under the governing cost principles; (2) The base costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accounted 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 rates (or) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CATEGORIES:
This Agreement is based on the accounting system provided by the organization to be an effort during the Agreement period. Changes in 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 accounting or a particular type of cost, fees, facilities and administrative costs. Failure to obtain prior approval may result in cost disallowance.

C. FLEXIBILITY:
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 rates used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:
The rates in this Agreement represent the authority to 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 be notified of the affected programs. The organization should consider the appropriate base to identify the proper amount of facilities and administrative costs allowable to these programs.

BY THE INSTITUTION:
Purdue University-Fort Wayne Campus

(SIGNATURE) Mary Catherine Gaissbauer, Comptroller

(HOLDER) Mary Catherine Gaissbauer

(TITLE) Comptroller

(DATE) August 30, 2012

ON BEHALF OF THE FEDERAL GOVERNMENT:

(AGENCY)

(SIGNATURE) Arif Kazim

(NAME) Director, Central Medicaid Field Office

(TITLE) 03/22/2012

(DATE) 03/22/2012

(ADDRESS) Telephone: (214) 767-3261

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