



LOUISIANA STATE UNIVERSITY

CAMPUS CORRESPONDENCE

To: Chancellor Michael Martin
Chancellor William Dickson
Chancellor Jack Weiss
Dr. Steve Heymsfield

Date: June 30, 2010

From: Eric N. Monday
Interim Vice Chancellor
Finance and Administrative Services

Subject: Facilities and Administrative Rates Applied to Sponsored Projects

A two year extension has been granted to the Facilities and Administrative (F&A) rate agreement by our cognizant audit agency, the Department of Health and Human Services. The following rates are effective from July 1, 2009 through June 30, 2010.

F&A Rates to be applied to MTDC

Table with 3 columns: Location/Program, Non-State Agency, State or Local Government. Rows include LSU Pennington Biomedical Research Center, LSU Agricultural Center, and various program types like Instruction and Public Service.

(1) Statutory requirements specific to certain federal programs may limit F&A recovery on some awards.

(2) F&A costs are calculated by multiplying the Modified Total Direct Cost (MTDC) by the appropriate F&A rate. MTDC is defined as total direct cost less... included in the calculation)

b. Capital equipment expenditures (i.e. items costing \$5,000 or more with a useful life of at least one year)


- c. Alterations and renovations
- d. Rental costs of off-site facilities

e. Scholarships and fellowships, prizes and awards

Proposals for continuation of incrementally funded awards which maintain the same

award.

These rates will be in effect until June 30, 2012. The University will negotiate a new
E&A rate based on fiscal year 2011-2012 financial information.



Eric N. Monday
Interim Vice Chancellor for
Finance and Administrative Services

Enclosure: Rate Agreement

cc: Interim Vice Chancellor Doris Carver
Associate Vice Chancellor Donna K. Torres, CPA
Mr. James L. Bates
Ms. Patricia Territo, CPA
Deans, Directors and Department Heads
Mr. Mark Legendre, CPA
Dr. Mark Alise
Mr. Stephen Parker
ASP Members



Program Support Center

Division of Cost Allocation
Central States Field Office

June 23, 2010

1301 Young Street
Room 732
Dallas, Texas 75202
(214)-767-3261
(214)-767-3264 FAX

Ms. Donna K. Torres, CPA
Assoc. Vice Chancellor/Asst. Financial Serv.
330 Thomas Boyd Hall
Baton Rouge, LA 70803-2701

Dear Ms. Torres:

A copy of a facilities and administrative 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 facilities and administrative costs on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and fax it to me retaining a copy for your

distribute the Agreement to the appropriate awarding organization

facilities and administrative cost rate(s) as agreed to by both

Agreement.

A facilities and administrative cost proposal, together with supporting information, is required each year to substantiate claims made for facilities and administrative costs under grants and contracts awarded by the Federal Government. Thus, your next

Thank you for your cooperation.

Sincerely,

Henry Williams
Director
Division of Cost Allocation
Central States Field Office

Enclosures

COLLEGE AND UNIVERSITY RATE AGREEMENT

UNIVERSITY OF CALIFORNIA

UNIVERSITY OF CALIFORNIA

FILING PLAYS THE PRECEDING

Agreement was dated

Rafon Poige

IA

70803-2701

The rates approved in this agreement are for use on grants, contracts and other

subject to the conditions in section 11

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
DEED	07/01/09	06/30/13	48.0	On Campus	Organ Research (1)
DEED	07/01/09	06/30/13	36.0	Off Campus	Organ Research (1)
PRED.	07/01/09	06/30/13	42.0	On Campus	Agri Ctr All Progrms
DEED	07/01/09	06/30/13	26.0	Off Campus	Agri Ctr All Progrms
PRED.	07/01/09	06/30/13	36.0	On Campus	Other Spon ACT

for fiscal year ending June 30, 2013.

(1) Includes all Pennington Biomedical Research Center Projects.

*BASE:

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 special study, and other non-recurring costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

INSTITUTION:
Louisiana State University and A & W College

AGREEMENT DATE: June 24, 2010

SECTION I: FRINGE BENEFITS RATES**

RATE TYPE	START	END	RATE	LOCATION	EMPLOYEE TYPE
EFFECTIVE PERIOD					
FIXED	07/01/09	06/30/10	24.0	Main Campus	Main Campus Employee
FIXED	07/01/09	06/30/10	28.0	AG Center	Federal Employees
FIXED	07/01/09	06/30/10	24.0	AG Center	Non Fed Employees
FIXED	07/01/10	06/30/11	33.0	Main Campus	Main Campus Employee
FIXED	07/01/10	06/30/11	28.0	AG Center	Federal Employees
PROV	07/01/11	UNTIL AMENDED	Use same rates and conditions as those cited		

DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages

INSTITUTION:
Louisiana State University and A & M College

AGREEMENT DATE: June 24, 2010

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS
The fringe benefits have been changed during the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) are listed below.

TREATMENT OF PAID ABSENCES
Vacation, holiday, sick leave pay and other paid absences are included in salaries and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the cost of these paid absences are not allowed.

OFF-CAMPUS DEFINITION
Activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), and 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.

Equipment Definition -

Life of more than one year and an acquisition cost of \$5,000 or more per unit.

FRINGE BENEFITS:

- | | |
|--|---|
| Main Campus-
Group Medical & Life Insurance | Agricultural Centers-
Medical & Life Insurance Group |
| Medicare Contribution | Medicare Contribution |
| La. State Retirement System | Unemployment Compensation |
| TIAA-CREF Matching Retirement | Workers' Compensation |
| Teachers' Retirement System | Social Security |
| Health Insurance | Termination Pay |
| Workers' Compensation | Sabbatical Leave |
| Termination Pay | Non-Federal Employees: |
| Sabbatical Leave | La. State Retirement Syst. |
| Optional Retirement Plan | TIAA-CREF Matching Ret. |
| Teachers' Retirement System | Teachers' Retirement |
| Program | Optional Retirement Plan |
| Social Security | Federal Employees: |
| La. Deferred Comp. 457 Plan | Fed. Civil Service Ret. |
| LA School Employees Retirement System | |

INSTITUTION:
Louisiana State University and A & M College

AGREEMENT DATE: June 24, 2010

SECTION III: GENERAL

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 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 the changing of a particular type of cost... cost disallowances.

C. FIXED RATES:

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 Circular, 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 rates 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:

ON BEHALF OF THE FEDERAL GOVERNMENT:

Louisiana State University and A & M College

(INSTITUTION)

(AGENCY)

(SIGNATURE)

(SIGNATURE)

Eric Monday

Henry Williams

(NAME)

(NAME)

Interim Vice Chancellor for Finance

June 24, 2010

June 24, 2010

(DATE)

(DATE) 0022

BY REPRESENTATIVE: Denise Shirlee

COMPONENTS OF PUBLISHED F&A COST RATE

INSTITUTION: Louisiana State University AG All

FY COVERED BY RATE: 07/01/09 through 06/30/2013

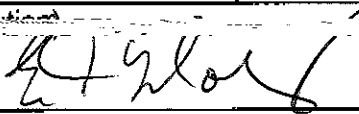
APPLICABLE TO: ORGANIZED RESEARCH

RATE COMPONENT: ON CAMPUS OFF CAMPUS

Building Depreciation	2.1	
Equipment Depreciation	2.2	
Interest	0.2	
Operation & Maintenance	11.5	
Library	0.0	
Utility Cost Adjustment	0.0	
Administration	26.0	26.0
TOTAL	42.0	26.0

CONCURRENCE:

Louisiana State University


(Signature)

Eric Monday
(Name)

Interim Vice Chancellor for
(Title)

Finance and Administrative Services

June 24, 2010
(Date)

COMPONENTS OF PUBLISHED ERA COST RATE

INSTITUTION: Louisiana State University **APM College:**

FY COVERED BY RATE: 07/01/09 through 06/30/2013

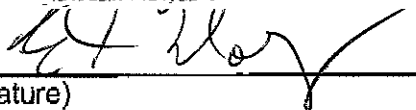
APPLICABLE TO: ORGANIZED RESEARCH

RATE COMPONENT:	<u>ON CAMPUS</u>	<u>OFF CAMPUS</u>
Building Depreciation	2.9	
Equipment Depreciation	2.3	
Interest	0.5	
Operation & Maintenance	14.0	
Library	1.5	
Administration	<u>26.0</u>	<u>26.0</u>
TOTAL	<u>48.0</u>	<u>26.0</u>

CONCURRENCE:

Louisiana State University

(Institution)



(Signature)

Eric Monday

(Name)

Interim Vice Chancellor for Finance

(Title) and Administrative Services

June 24, 2010

(Date)