



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Service
Division of Cost Allocation

Room 754
Dallas, Texas 75202
(214)-767-3261
(214)-767-3264 FAX

May 13, 2010

Donna Torres
Associate Chancellor for Accounting and Financial Services

Louisiana State University and A&M College
204 T Thomas Boyd Hall
Baton Rouge, LA 70803 2001

Dear Ms. Torres:

A copy of a facilities and administrative cost and fringe benefit Rate Agreement are enclosed. This Agreement reflects an understanding reached between your organization and a member of my administrative costs on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and forward to me retaining the copy for your files. Our fax number is (214) 767-3264. We will reproduce and distribute the agreement to my appropriate administrative offices of the Health Department for their use.

The fixed rate of 10.0% for the fiscal year ending June 30, 2010 is based on actual costs for the fiscal year ended June 30, 2008. They included the following under-recovered (-) or over-recovered (+) amounts:

Main Campus Employees Under recovery amount of (\$3,352,523)

from FY 08 fixed rate.

Federal Employees Under recovery amount of (\$2,012)

Non-Federal Employees Under recovery

The total under recovery amount was (\$4,258,103). The university agreed to waive all of the under recovery amount from FY 08 fixed rate.

The fixed rate of 10.0% for the fiscal year ending June 30, 2009 is based on actual costs for the fiscal year ended June 30, 2008.

The fixed rate of 10.0% for the fiscal year ending June 30, 2011 is based on actual costs for the fiscal year ended June 30, 2009. They included the following under-recovered (-) or over-recovered (+) amounts:

Main Campus Employees Over recovery amount \$5,202,022.

General Employees Under recovery amount \$1,840,763.

NON-Federal Employees Under recovery (\$75,678).

The fixed rate(s) for fiscal year ended June 30, 2000 is considered final.

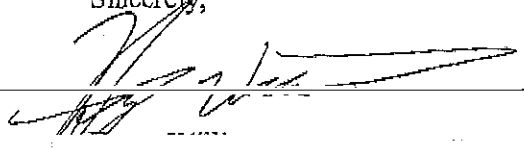
A Fringe Benefit cost proposal, together with supporting information and the certified audit financial statement, is required each year. Thus, your next Fringe Benefit cost proposal is due.

Your next Facilities and Administrative cost rate proposal based on actual costs for the fiscal year ending June 30, 2010 is due in our office by December 31, 2010.

Since this is an integral part of the negotiation agreement, please note your acceptance by signing in the space provided below of this letter.

Thank you for your cooperation.

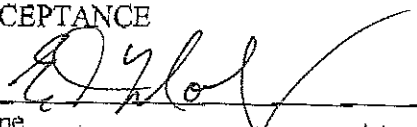
Sincerely,



Henry Williams
Director
Division of Cost Allocation

Central States Field Office

Enclosures
ACCEPTANCE



Name
Interim Vice Chancellor

Title
5/19/10

Date

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1726000848A1

DATE: May 13, 2010

~~INSTITUTION~~
~~LOUISIANA STATE UNIVERSITY, BATON ROUGE, LA 70803-2701~~
 Baton Rouge LA 70803-2701

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.

EFFECTIVE PERIOD

PERIOD	RATE (%)	LOCATION	PROGRAM
07/01/08 06/30/11	26.0	Off Campus	Organ Research (1)
07/01/08 06/30/11	26.0	Off Campus	Organ Research (1)
07/01/08 06/30/11	42.0	On Campus	Agri Ctr All Programs
07/01/08 06/30/11	26.0	Off Campus	Agri Ctr All Programs
07/01/08 06/30/11	26.0	On Campus	Instruction
07/01/08 06/30/11	26.0	On Campus	Other

for fiscal year ending June 30, 2011.

(1) Includes all Pennington Biomedical Research Center Projects.

*BASE:

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, laboratory, travel and postage and subcontracts up to the first \$25,000 of each subgrant or subcontract. Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, tuition, noninstructional, rental, the portion of each subgrant and subcontract in excess of \$25,000.

INSTITUTION:

Louisiana State University and A & M College

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) REED. (REDETERMINED)

EFFECTIVE PERIOD

RATE TYPE	EFFECTIVE PERIOD	RATE	LOCATION	EMPLOYEE TYPE
FIXED	07/01/09 06/30/10	34.0	Main Campus	Main Campus Employees
FIXED	07/01/09 06/30/10	38.0	AG Center	Federal Employees
FIXED	07/01/09 06/30/10	34.0	AG Center	Non-Fed Employees
FIXED	07/01/10 06/30/11	33.0	Main Campus	Main Campus Employees
FIXED	07/01/10 06/30/11	38.0	AG Center	Federal Employees
FIXED	07/01/10 06/30/11	36.0	AG Center	Non-Fed Employees
PROV.	07/01/11 UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2011		

**DESCRIPTION OF FRINGE BENEFITS RATE BASE:
Salaries and wages.

INSTITUTION:
Louisiana State University and A & M College

AGREEMENT DATE: May 10, 2010

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are charged using 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 wages and are claimed on grants, contracts and other agreements as part of the normal cost made.

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.

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:

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

INSTITUTION:

Louisiana State University and A & M College

AGREEMENT DATE: May 13, 2010

SECTION III: GENERAL

A. LIMITATIONS:

The rates in this agreement are subject to any statutory or administrative limitations and apply to all programs... facilities and administrative costs are not claimed as direct costs... 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... 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... 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... Agreement.

E. OTHER:

If any Federal contract or other agreement is entered into... 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 those programs.

BY THE INSTITUTION:
Louisiana State University and A & M College

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(INSTITUTION)

(APPROVAL)

(SIGNATURE)

(SIGNATURE)

(NAME)

(NAME)

(TITLE)

(TITLE) CENTRAL STATES FIELD OFFICE

(DATE)

May 13, 2010

(DATE) 0022

RHS REPRESENTATIVE: Denise Shirlee

Telephone: (214) 767-3313