

COLLEGES AND UNIVERSITIES RATE AGREEMENT

ORIGINAL

EIN #:

DATE: October 12, 2005

INSTITUTION:

Univ. of Tennessee - Agricultural Extension Svc.
201 Andy Holt Tower
Knoxville TN 37966-0100

FILING REF.: The preceding Agreement was dated June 26, 2001

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)

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
FINAL	07/01/04	06/30/05	14.0	On-Campus	Other Spon Act
PRED.	07/01/05	06/30/08	15.0	On-Campus	Other Spon Act
PRED.	07/01/05	06/30/08	12.6	Off-Campus	Other Spon Act
PROV.	07/01/08	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2008.		
PRED.	07/01/05	06/30/08	2.0	Off-Campus	IPA (A)

(A) Intergovernmental Personnel Act Agreements. All UT-Agricultural Extension Svc. Locations.

*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, 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.

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SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

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 costs of these paid absences.

Fringe Benefits include: FICA, Retirement, Life Insurance, Workers' Compensation, Unemployment Insurance, Health Insurance, and Terminal Leave.

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.

Effective 07/01/05, this agreement reflects inclusion of an Intergovernmental Personnel Act (IPA) rate.

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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 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 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:

Univ. of Tennessee - Agricultural Extension Svc.

(INSTITUTION)

(SIGNATURE)

Dr. Gary W. Rogers

(NAME)

Chief Financial Officer

(TITLE)

November 3, 2005

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

William G. Logan

(NAME)

DIRECTOR, MID-ATLANTIC FIELD OFFICE

DIVISION OF COST ALLOCATION

(TITLE)

October 12, 2005

(DATE) 1099

HHS REPRESENTATIVE: Edward Nwaba

Telephone: (202) 401-2808

COMPONENTS OF THE PUBLISHED F & A RATE

INSTITUTION NAME: UNIVERSITY OF TENNESSEE
AGRICULTURAL EXTENSION SERVICE

FISCAL YEAR COVERED: FY '05 THRU FY '08

	On - Campus		Off - Campus
	Other Spon Act <u>FY 05</u>	Other Spon Act <u>FY 06 - 08</u>	Other Spon Act <u>FY 06 - 08</u>
FACILITIES GROUP:			
Building & Improv. Depreciation	0.8%	0.8%	
Equipment Depreciation	2.2%	2.2%	
Operations & Maintenance	1.2%	1.2%	
Library	0.0%	0.0%	
ADMINISTRATIVE GROUP:	9.8%	10.8%	12.6%
TOTAL	<u>14.0%</u>	<u>15.0%</u>	<u>12.6%</u>

CONCURRENCE:

UNIVERSITY OF TENNESSEE - AG EXT SVC
(Institution)

Gary W. Rogers
(Signature)

Dr. Gary W. Rogers

(Name)

Chief Financial Officer

(Title)

November 3, 2005

(Date)



DEPARTMENT OF HEALTH & HUMAN SERVICES

ORIGINAL

Program Support Center
Financial Management Service
Division of Cost Allocation

Cohen Building-Room 1067
330 Independence Avenue, S.W.
Washington, DC 20201
PHONE: (202)-401-2808
FAX: (202)-619-3379

October 12, 2005

Mr. James R. Maples
Controller
University of Tennessee - Knoxville
Controller's Office
201 Andy Holt Tower
Knoxville, TN 37996-0100

Dear Mr. Maples:

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

Please have this letter signed by an authorized representative of your organization and fax it to me, retaining a copy for your files. Our fax number is (202) 619-3379. We will reproduce and distribute the Rate Agreement to the appropriate awarding agencies of the Federal Government for their use.

The Office of Management and Budget (OMB) has requested that we reach an agreement with each institution on the components of the published F & A rates. The attached form is provided for that purpose. Please sign the form and fax it with the original Rate Agreement.

A facilities and administrative cost proposal, together with the required supporting information, must be submitted to this office for each year in which your organization claims indirect costs under grants and contracts awarded by the Federal Government.

Mr. James Maples
October 12, 2005

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Therefore, your next proposal for F & A costs, based on actual costs for the fiscal year ending June 30, 2007, is due in our office by December 31, 2007.

Sincerely,



William G. Logan
Director, Mid-Atlantic Field Office
Division of Cost Allocation

Enclosures

Concurrence:

University of Tennessee - Knoxville

(Institution)

Gary W. Rogers

(Signature)

Dr. Gary W. Rogers

(Name)

Chief Financial Officer

(Title)

November 3, 2005

(Date)