DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

26 Federal Plaza, Room 3412
New York, NY 10278
PHONE: (212) 264-2069
EMAIL: CAS-NY@psc.hhs.gov

June 14, 2024

Ms. Patricia Overko
Director of Fiscal Operations and Controller
University of Massachusetts Boston
100 Morrissey Boulevard
Boston, MA 02125-3393

Dear Ms. Overko:

A copy of an indirect cost rate agreement is being sent 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 agreement signed by an authorized representative of your organization and returned to me by email, retaining the copy for your files. Our email address is cas-ny@psc.hhs.gov. We will reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

In consideration of this agreement, the following was agreed to:

Attached are 6 documents entitled "Components of Published Facilities and Administrative Cost Rate (F&A)". There is one document issued for each F&A rate published on the rate agreement. These documents should be signed and emailed to this office along with the signed original copy of the rate agreement.

The institution is required to identify building depreciation and interest cost by building. Future proposals must have building cost breakdowns provided from the University of Massachusetts Building Authority (UMBA). Failure to do so may result in cost disallowance. All costs must be clearly identified and reconciled to financing agreements and building contracts. Interest cost and building depreciation cost not identified by building will be considered unallowable costs.

An indirect cost rate 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 6/30/2027 is due in our office by 12/31/2027. Please submit your next proposal electronically via email to CAS-NY@psc.hhs.gov. In addition, please acknowledge your concurrence with the comments and conditions cited above by signing this letter in the space provided below and email to CAS-NY@psc.hhs.gov with the enclosed negotiation agreement.

Sincerely,

Darryl W. Mayes -S Digitally signed by Darryl W. Mayes -S Date: 2024.08.07 07:12:50 -04'00'

Darryl W. Mayes
Deputy Director
Cost Allocation Services

Concurrence: DocuSigned by: Patricia Overko B9903E44529E465...
(Signature)

Patricia Overko
(Name)

Director of Fiscal Operations & Controller
(Title)

8/28/2024
(Date)

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COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1043167352B4
ORGANIZATION:
University of Massachusetts - Boston
100 Morrissey Boulevard
Boston, MA 02125-3393

Date: 06/14/2024
FILING REF.: The preceding agreement was dated 10/02/2020

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: INDIRECT COST RATES

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

	EFFECTIVE PERIOD				
TYPE	FROM	TO	RATE(%)	LOCATION	APPLICABLE TO
PRED.	07/01/2023	06/30/2024	52.50	On-Campus	Research
PRED.	07/01/2024	06/30/2025	53.00	On-Campus	Research
PRED.	07/01/2025	06/30/2026	54.00	On-Campus	Research
PRED.	07/01/2026	06/30/2027	55.00	On-Campus	Research
PRED.	07/01/2027	06/30/2028	55.50	On-Campus	Research
PRED.	07/01/2023	06/30/2028	26.00	Off-Campus	Research
PRED.	07/01/2023	06/30/2024	46.00	On-Campus	Instruction
PRED.	07/01/2024	06/30/2028	48.00	On-Campus	Instruction
PRED.	07/01/2023	06/30/2028	26.00	Off-Campus	Instruction
PRED.	07/01/2023	06/30/2024	36.40	On-Campus	Other Sponsored Activities
PRED.	07/01/2024	06/30/2028	35.70	On-Campus	Other Sponsored Activities
PRED.	07/01/2023	06/30/2028	26.00	Off-Campus	Other Sponsored Activities
PROV.	07/01/2028	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2028

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*BASE

* For all awards beginning 6/30/2025 and earlier, the Base is as follows:
Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

* For all awards beginning 7/1/2025 and later, the Base is as follows:
Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first $50,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

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SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:
Fringe benefits are claimed using approved rates contained in the Massachusetts State-Wide Cost Allocation Plan. For the period 07/01/23 through 06/30/28, the following additional fringe benefit charges are approved for the University:

(a) Worker's Compensation Insurance - .17% (S&W)

(b) Health & Welfare* - $16.50 bi-weekly, capped at $33 per month

* The State negotiated rate with collective bargaining units.

Treatment of Paid Absences: Vacation, holiday, sick leave pay and other 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 for the costs of these paid absences are not made. An exception to this policy has been approved for the Center For Survey Research. Due to the variability of grant effort performed by the employees of the Center For Survey Research, a paid leave rate is used to claim costs at the Center. The rate to be applied to direct salaries and wages is calculated and revised annually by the University. The University maintains the documentation to support the calculation of the rate for charges to grants and contracts and for audit purposes.

OFF-CAMPUS DEFINITION: The off-campus rate will apply for all activities: a) Performed in facilities not owned by the institution and where these facility costs are not included in the F&A pools; or b) Where rent is directly allocated/charged to the project(s). 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 means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000.

NEXT PROPOSAL DUE DATE
A Facilities & Administrative cost proposal based on actual costs for the fiscal year ending June 30, 2027 is due by December 31, 2027.

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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 Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, 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:

University of Massachusetts - Boston
(INSTITUTION)

DocuSigned by:
Kathleen Kirleis
890AC0C02E01471...
(SIGNATURE)

Kathleen Kirleis
(NAME)

Vice-Chancellor for Administration and Finance
(TITLE)

8/29/2024
(DATE)

ON BEHALF OF THE GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES
(AGENCY)

Darryl W. Mayes -S
Digitally signed by Darryl W. Mayes -S
Date: 2024.08.07 07:11:33 -04'00'
(SIGNATURE)

Darryl W. Mayes
(NAME)

Deputy Director, Cost Allocation Services
(TITLE)

06/14/2024
(DATE)

HHS REPRESENTATIVE: Edwin Miranda
TELEPHONE: (212) 264-2069