

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1150532082A4

DATE: July 30, 2009

INSTITUTION:  
Cornell University  
341 Pine Tree Road  
Ithaca

FILING REF.: The preceding  
Agreement was dated  
June 19, 2008

NY 14850-2820

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			
PRED.	07/01/08	06/30/11	59.0	On-Campus	Endowed Research
PRED.	07/01/08	06/30/11	54.0	On-Campus	Contract Coll. Res.
PRED.	07/01/08	06/30/11	56.7	On-Campus	Contract Coll. ESA
PROV.	07/01/09	UNTIL AMENDED	11.0	Off-Campus	All NAIC Programs
PRED.	07/01/08	06/30/11	26.0	Off-Campus	All Progs(excl.NAIC)
PROV.	07/01/11	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2011.		

\*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.

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SECTION I: FRINGE BENEFITS RATES\*\*

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

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
FIXED	07/01/09	06/30/11	34.0	Endowed Coll	(1)
FIXED	07/01/09	06/30/11	10.0	Endowed Coll	(2)
PROV.	07/01/11	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2011.		
FIXED	07/01/09	06/30/10	44.3	Contr. Coll	All Employ. (3)
PROV.	07/01/10	UNTIL AMENDED	44.3	Contr. Coll	All Employ. (3)

(1) Full benefit employees, includes benefits listed in #2 below and see special remarks section for additional benefits covered.

(2) Applicable to visiting faculty, summer faculty without retirement, Executive Education faculty appointments, non-benefit eligible temporary employees, summer students (if not registered) and bonus payments. Includes mandated benefits such as Social Security, Worker's Compensation, Disability and Unemployment.

(3) Contract College fringe benefits are claimed using approved rates contained in the New York State-Wide Cost Allocation Plan plus a small add-on for the university paid component.

\*\*DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

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SECTION II: SPECIAL REMARKS

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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 for salaries and wages. Separate claims for the costs of these paid absences are not made.

1. The rates in this Agreement have been negotiated to reflect the administrative cap provisions of the revisions to OMB Circular A-21 published by the Office of Management and Budget on May 8, 1996. No rate affecting the institution's fiscal periods beginning on or after October 1, 1991, except rates for DOD contracts and subcontracts, contains total administrative cost components in excess of that 26 percent cap.

2. Extraordinary electrical costs for the Laboratory Of Nuclear Studies and extraordinary electrical costs, telecommunications costs and chilled water costs of the Theory Center program associated with, but not including normal utility costs for building maintenance are excluded from the modified total direct cost base. In addition, the electrical costs of the NAIC Arecibo radio telescope site in Puerto Rico are also excluded from the modified total direct cost base. The exclusion of these costs from the MTDC base does not represent an agreement that these exclusions are accepted for subsequent negotiation of future years' rates.

3. In addition to the fringe benefits listed in the Fringe Benefits Section of this agreement, the following fringe benefits are included in the full benefit rates: retirement, health insurance, life insurance, long term disability, employee tuition, employee wellness and assistance program and childcare.

4. Effective 7/1/99 tuition support for dependents of Cornell University employees is no longer an allowable fringe benefit expense and is not included in the approved rates.

5. 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.

6. This rate agreement updates fringe benefits rates only.

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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:

Cornell University

(INSTITUTION)

Joanne M DeStefano  
(SIGNATURE)

Joanne M. DeStefano

(NAME)

VP Finance and CFO

(TITLE)

July 31, 2009

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Robert I. Aaronson  
(SIGNATURE)

Robert I. Aaronson

(NAME)

DIRECTOR, DIVISION OF COST ALLOCATION

(TITLE)

July 30, 2009

(DATE) 0942

HHS REPRESENTATIVE: Michael Leonard

Telephone: (212) 264-2069