

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN #: 1816001649A1

DATE: June 15, 2007

INSTITUTION:  
Montana State University-Bozeman  
P.O. Box 172460

FILING REF.: The preceding  
Agreement was dated  
December 16, 2002

Bozeman MT 59717-2460

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.	07/01/06	06/30/07	41.5	On-Campus	Organized Research
PRED.	07/01/07	06/30/10	42.5	On-Campus	Organized Research
PRED.	07/01/06	06/30/10	26.0	Off-Campus	Organized Research
PRED.	07/01/06	06/30/10	54.5	On-Campus	Instruction
PRED.	07/01/06	06/30/10	26.0	Off-Campus	Instruction
PRED.	07/01/06	06/30/07	29.5	On-Campus	Other Spon Act.
PRED.	07/01/06	06/30/07	19.7	Off-Campus	Other Spon Act.
PRED.	07/01/07	06/30/10	34.5	On-Campus	Other Spon Act.
PRED.	07/01/07	06/30/10	21.0	Off-Campus	Other Spon Act.
PROV.	07/01/10	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2010.		

\*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:

This organization charges the actual cost of each fringe benefit direct to Federal projects. However, it uses a fringe benefit rate which is applied to salaries and wages in budgeting fringe benefit costs under project proposals. The fringe benefits listed below are treated as direct costs.

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.

DEFINITION OF OFF-CAMPUS: A project is considered off-campus if the activity is conducted at locations other than in University owned or operated facilities and indirect costs associated with physical plant and library are not considered applicable to the project.

DEFINITION OF EQUIPMENT

Equipment is defined as tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

The following fringe benefits are treated as direct costs:

FICA, WORKERS COMPENSATION, UNEMPLOYMENT COMPENSATION, HEALTH INSURANCE, AND RETIREMENT (TRS/PERD AND TIAA/CREF).

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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.

BY THE INSTITUTION:  
 Montana State University-Bozeman

\_\_\_\_\_  
 (INSTITUTION)

\_\_\_\_\_  
 (SIGNATURE)

Thomas L. McCoy

\_\_\_\_\_  
 (NAME)

Vice President for Research

\_\_\_\_\_  
 (TITLE)

June 20, 2007

\_\_\_\_\_  
 (DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

\_\_\_\_\_  
 (AGENCY)

\_\_\_\_\_  
 (SIGNATURE)

Wallace Chan

\_\_\_\_\_  
 (NAME)

DIRECTOR, DIVISION OF COST ALLOCATION

\_\_\_\_\_  
 (TITLE)

June 15, 2007

\_\_\_\_\_  
 (DATE) 1064

HHS REPRESENTATIVE: Patrick Smith

Telephone: (415) 437-7820

EXHIBIT A

**MONTANA STATE UNIVERSITY - BOZEMAN**

**FACILITIES AND ADMINISTRATIVE RATES FOR THE PERIOD  
JULY 1, 2006 THROUGH JUNE 30, 2007:**

	ORGANIZED RESEARCH		INSTRUCTION		OTHER SPONSORED ACTIVITIES	
	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS
BLDG.	1.5		2.4		1.2	
EQUIP. DEPR.	2.5		2.4		0.5	
INTEREST	0.8		0.6		0.2	
O&M	9.9		12.9		7.0	
LIBRARY	0.8		10.2		0.9	
GEN ADMIN.	3.4		2.1		3.7	
DEPT ADMIN.	18.7		6.9		13.0	
SPA	3.9		0.1		3.0	
STUDENT SRV			16.9			
ADMIN COMP.		26.0		26.0		19.7
<b>TOTAL</b>	<b>41.5</b>	<b>26.0</b>	<b>54.5</b>	<b>26.0</b>	<b>28.5</b>	<b>19.7</b>

**FACILITIES AND ADMINISTRATIVE RATES FOR THE PERIOD  
JULY 1, 2007 THROUGH JUNE 30, 2010:**

	ORGANIZED RESEARCH		INSTRUCTION		OTHER SPONSORED ACTIVITIES	
	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS
BLDG.	2.1		2.6		0.7	
EQUIP. DEPR.	1.6		1.6		0.7	
INTEREST	0.3		0.2		0.0	
O&M	11.6		14.0		11.5	
LIBRARY	0.9		10.1		0.6	
GEN ADMIN.	6.5		3.8		6.4	
DEPT ADMIN.	15.5		6.6		10.9	
SPA	4.0		2.0		3.7	
STUDENT SRV			13.6			
ADMIN COMP.		26.0		26.0		21.0
<b>TOTAL</b>	<b>42.5</b>	<b>26.0</b>	<b>54.5</b>	<b>26.0</b>	<b>34.5</b>	<b>21.0</b>

CONCUR:

SIGNATURE



Vice President for Research

TITLE

June 20, 2007

DATE