



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

1301 Young Street, Room 732
Dallas, TX 75202
PHONE: (214) 767-3261
FAX: (214) 767-3264
EMAIL: CAS-Dallas@psc.hhs.gov

March 10, 2018

Mr. Kenneth Johnston
Associate Vice President for Finance and Controller
Illinois Institute of Technology
3424 S. State Street
Tech Central, 4th Floor
Chicago, IL 60616

Dear Mr. Johnston:

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

Please have the Agreement signed by an authorized representative of your organization and return it to me by email, retaining the copy for your files. Our email address is CAS-Dallas@psc.hhs.gov. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

In addition, your FB cost rate(s) for the fiscal year ending May 31, 2019 based on actual costs for the fiscal year ended May 31, 2017 and FB cost rates for the fiscal year ending May 31, 2018 based on actual costs for the fiscal year ended May 31, 2016 under-recovered (-) or over-recovered (+) amounts are listed below:

	<u>2016/2018</u>	<u>2017/2019</u>
Full Time Faculty:	(\$1,073,020)	(\$1,215,435)
Full Time Staff:	(522,947)	(1,200,119)
Part Time/Temporary Faculty and Staff:	(21,786)	22,858

The fixed rate(s) for the fiscal years ended May 31, 2016 and May 31, 2017 are considered final.

Mr. K. Johnston
March 10, 2018
Page 2 of 2

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 based on actual costs for the fiscal year ending May 31, 2018 is due in our office by November 30, 2018. Your next Facilities and Administrative cost rate proposal based on actual costs for the fiscal year ending May 31, 2018 is due in our office by November 30, 2018.

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,



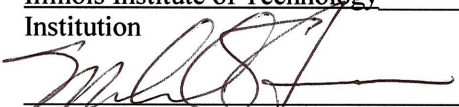
Arif Karim
Director
Cost Allocation Services

Enclosures

ACCEPTANCE

Illinois Institute of Technology

Institution



Signature

Michael Horans
Name

VP for Finance / Treasurer
Title

3/22/18
Date

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1362170136A1

DATE:03/10/2018

ORGANIZATION:

Illinois Institute of Technology
 3424 S. State Street
 Tech Central, 4th Floor
 Chicago, IL 60616

FILING REF.: The preceding
 agreement was dated
 03/02/2017

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

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	06/01/2015	05/31/2019	53.00	On Campus	Organized Research
PRED.	06/01/2015	05/31/2019	24.00	Off Campus	All Programs
PRED.	06/01/2015	05/31/2019	34.00	On Campus	Instruction
PRED.	06/01/2015	05/31/2019	24.00	Moffett Ctr	Non-FDA Programs
PRED.	06/01/2015	05/31/2019	11.00	Moffett Ctr	FDA Programs
PROV.	06/01/2019	05/31/2021			Use same rates and conditions as those cited for fiscal year ending May 31, 2019.

*BASE

ORGANIZATION: Illinois Institute of Technology

AGREEMENT DATE: 3/10/2018

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.

ORGANIZATION: Illinois Institute of Technology
AGREEMENT DATE: 3/10/2018

SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	6/1/2017	5/31/2018	23.80	All	Full Time Faculty
FIXED	6/1/2017	5/31/2018	24.50	All	Full Time Staff
FIXED	6/1/2017	5/31/2018	7.90	All	PT/Temp. Faculty & Staff
FIXED	6/1/2018	5/31/2019	25.20	All	Full Time Faculty
FIXED	6/1/2018	5/31/2019	27.40	All	Full Time Staff
FIXED	6/1/2018	5/31/2019	7.70	All	PT/Temp. Faculty & Staff
PROV.	6/1/2019	Until amended			Use same rates and conditions as those cited for fiscal year ending May 31, 2019.

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

ORGANIZATION: Illinois Institute of Technology
AGREEMENT DATE: 3/10/2018

SECTION II: SPECIAL REMARKS

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 are not made for the cost of these paid absences.

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 \$2,500 or more per unit.

FRINGE BENEFITS:

FICA	Health Insurance
Retirement	Tuition Remission
Disability Insurance	Unemployment Insurance
Life Insurance	Worker's Compensation

The next Fringe Benefit cost proposal, based on actual costs for the fiscal year ending May 31, 2018, is due in our office by November 30, 2018.

The next Facilities & Administrative cost rate proposal, based on actual costs for the fiscal year ending May 31, 2018, is due in our office by November 30, 2018.

ORGANIZATION: Illinois Institute of Technology

AGREEMENT DATE: 3/10/2018

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.

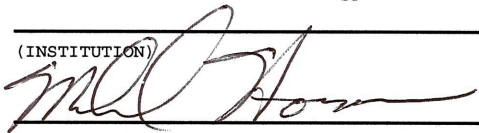
E. OTHER:

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:

Illinois Institute of Technology

(INSTITUTION)



(SIGNATURE)

Michael Horani

(NAME)

VP Ser Finance / Treasurer

(TITLE)


3/22/18

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)



(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

3/10/2018

(DATE) 3580

HHS REPRESENTATIVE: Theodore Foster

Telephone: (214) 767-3261