



DEPARTMENT OF THE NAVY

OFFICE OF NAVAL RESEARCH
875 NORTH RANDOLPH STREET
SUITE 1425
ARLINGTON, VA 22203-1995

IN REPLY REFER TO:

Agreement Date: June 20, 2023

[Supersedes Agreement Dated: June 29, 2022]

NEGOTIATION AGREEMENT

INSTITUTION: **VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
BLACKSBURG, VIRGINIA 24061**

The Fringe Benefits rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the Virginia Polytechnic Institute and State University by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR Part 200. These rates shall be used for forward pricing and billing purposes for the Virginia Polytechnic Institute and State University Fiscal Years 2024 and 2025. This rate agreement supersedes all previous rate agreements/determinations related to these rates for Fiscal Year(s) 2024.

Section I: RATES - TYPE: **FIXED (FIXED)**

Fringe Benefits Rates:

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
FIXED	7/1/23	6/30/24	32.78%	(a)	Regular Faculty	All
FIXED	7/1/23	6/30/24	35.52%	(a)	Research Faculty	All
FIXED	7/1/23	6/30/24	26.41%	(a)	Part Time Faculty	All
FIXED	7/1/23	6/30/24	48.00%	(a)	Classified	All
FIXED	7/1/23	6/30/24	6.34%	(a)	Wages	All
FIXED	7/1/23	6/30/24	9.19%	(a)	Graduate Student	All

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>	<u>LOCATION</u>
PROV	7/1/24	6/30/25	32.96%	(a)	Regular Faculty	All
PROV	7/1/24	6/30/25	35.10%	(a)	Research Faculty	All
PROV	7/1/24	6/30/25	27.50%	(a)	Part Time Faculty	All
PROV	7/1/24	6/30/25	47.72%	(a)	Classified	All
PROV	7/1/24	6/30/25	6.65%	(a)	Wages	All
PROV	7/1/24	6/30/25	9.83%	(a)	Graduate Student	All

DISTRIBUTION BASES

(a) Salaries and Wages

SECTION II - GENERAL TERMS AND CONDITIONS

A. LIMITATIONS: Use of the rates set forth under Section I is subject to availability of funds and to any other statutory or administrative limitations. The rates are applicable to a given grant, contract or other agreement only to the extent that funds are available and consistent with any and all limitations of cost clauses or provisions, if any, contained therein. Acceptance of any or all of the rates agreed to herein is predicated upon the following conditions: (1) that no costs other than those incurred by the institution were included in this indirect cost pool as finally accepted and that such costs are legal obligations of the institution and allowable under governing cost principles; (2) that the same costs that have been treated as indirect costs are not claimed as direct costs; (3) that similar types of costs have been accorded consistent accounting treatment; and (4) that the information provided by the institution which was used as a basis for acceptance of the rates agreed to herein, and expressly relied upon by the Government in negotiating and accepting the said rates is not subsequently found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: The rates contained in Section I of this agreement are based on the accounting system in effect at the time the agreement was negotiated. Changes to the method(s) of accounting for costs, which affect the amount of reimbursement resulting from the use of these rates require the prior written approval of the authorized representative of the cognizant agency for indirect costs. Such changes include but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowances.

C. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates contained in this agreement are based on estimates of the costs for FY 2024. When actual costs for this fiscal year are determined, adjustments will be applied to a rate negotiation for a subsequent fiscal year to recognize the difference between the FY 2024 estimated costs used to establish the fixed rates and the negotiated actual FY 2024 costs.

D. CARRY FORWARD AMOUNTS:

1. The Office of Naval Research Negotiation Agreement dated June 16, 2021 established Fixed Fringe Benefits Rates with carry-forward provisions for Virginia Polytechnic Institute and State University's fiscal year ending June 30, 2022. This negotiation agreement records on the final carry-forward amounts resulting from determination of actual costs for fiscal year 2022. These costs have been determined in accordance with the provisions of 2 CFR Part 200. () denotes over-recovery.

Fiscal Year: 2022 Final CFW	
Regular Faculty	(\$3,408,625)
Research Faculty	(\$294,205)
Part Time Faculty	(\$25,683)
Classified	(\$2,389,321)
Wages	(\$622,426)
Graduate Student	(\$226,575)

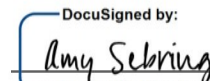
2. The Fringe Benefits Rates set forth in Section I are inclusive of the final fiscal year 2022 carry-forward amounts shown above, which are liquidated in their entirety.

E. **PROVISIONAL RATES:** The provisional rates contained in this agreement are subject to unilateral amendment by the Government or bilateral amendment by the contracting parties at any time.

F. **USE BY OTHER FEDERAL AGENCIES:** The rates set forth in Section I are negotiated in accordance with and under the authority set forth in 2 CFR Part 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts, and other agreements to which 2 CFR Part 200 applies, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other federal agencies to provide such agencies with documentary notice of this agreement and its terms and conditions.

Accepted:

FOR VIRGINIA POLYTECHNIC
INSTITUTE AND STATE UNIVERSITY:

DocuSigned by:

Amy S. Sebring, M.P.P.
Executive Vice President and
Chief Operating Officer

6/21/2023

Date

FOR THE U.S. GOVERNMENT:

TINGLE.BETTY.J
OHNSON.12042
89359

Digitally signed by
TINGLE.BETTY.JOHNSON.12
04289359
Date: 2023.06.21 18:08:37
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Betty Tingle
Contracting Officer

Date

For information concerning this agreement contact:

Betty Tingle
Office of Naval Research
875 North Randolph Street
Arlington, VA 22203-1995

Phone: (703) 696-7742
E-mail: betty.j.tingle.civ@us.navy.mil



FIXED
FRINGE BENEFIT RATES FOR FISCAL YEAR 2024

<u>Type of Benefit</u>	<u>Regular Faculty</u>	<u>Research Faculty</u>	<u>Part-Time Faculty</u>	<u>Classified</u>	<u>Wages</u>	<u>Graduate Students</u>
Total Rate	<u>32.78%</u>	<u>35.52%</u>	<u>26.41%</u>	<u>48.00%</u>	<u>6.34%</u>	<u>9.19%</u>

These rates are valid for FY 2024 only. New rates are negotiated each year with our federal agency, the Office of Naval Research (ONR) in May or June preceding the effective fiscal year.

PROVISIONAL
FRINGE BENEFIT RATES FOR FISCAL YEAR 2025

<u>Type of Benefit</u>	<u>Regular Faculty</u>	<u>Research Faculty</u>	<u>Part-Time Faculty</u>	<u>Classified</u>	<u>Wages</u>	<u>Graduate Students</u>
Total Rate	<u>32.96%</u>	<u>35.10%</u>	<u>27.50%</u>	<u>47.72%</u>	<u>6.65%</u>	<u>9.83%</u>

These rates are provisional, and are valid for FY 2025 only. New rates are negotiated each year with our federal agency, the Office of Naval Research (ONR) in May or June preceding the effective fiscal year.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

FIXED FRINGE BENEFIT RATE COMPONENTS FOR FISCAL YEAR 2024

Type of Benefit	Regular Faculty	Research Faculty	Part-Time Faculty	Classified	Wage	Graduate
Educational Leave	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%
Educational Fee Waiver	0.27%	0.00%	0.00%	0.46%	0.00%	0.00%
Workers Compensation	0.31%	0.31%	0.30%	0.30%	0.32%	0.32%
Unemployment Compensation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Employer Retirement Contr - VRS	3.92%	2.21%	2.67%	14.22%	0.00%	0.00%
Employer Retirement Contr - ORP	7.03%	8.20%	7.62%	0.00%	0.00%	0.00%
Retiree Health Insurance Benefits	1.10%	1.10%	1.09%	1.09%	0.00%	0.00%
FICA	6.45%	7.04%	7.44%	7.44%	6.02%	0.86%
Group Life	1.32%	1.32%	1.30%	1.30%	0.00%	0.00%
Medical Hospitalization	11.89%	14.82%	5.47%	22.32%	0.00%	8.01%
Va Sickness and Disability Program	0.04%	0.13%	0.08%	0.56%	0.00%	0.00%
TSA-Employer Match	0.31%	0.39%	0.44%	0.31%	0.00%	0.00%
WTA - Workforce Transition Benefits	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Rate	32.78%	35.52%	26.41%	48.00%	6.34%	9.19%

These rate are valid for FY 2024 only, new rates are negotiated each year with our federal agency, Office of Naval Research (ONR) in May or June preceding the effective fiscal year.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

PROVISIONAL FRINGE BENEFIT RATE COMPONENTS FOR FISCAL YEAR 2025

Type of Benefit	Regular Faculty	Research Faculty	Part-Time Faculty	Classified	Wage	Graduate
Educational Leave	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%
Educational Fee Waiver	0.26%	0.00%	0.00%	0.45%	0.00%	0.00%
Workers Compensation	0.30%	0.30%	0.31%	0.30%	0.33%	0.30%
Unemployment Compensation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Employer Retirement Contr - VRS	4.00%	2.21%	2.78%	14.33%	0.00%	0.00%
Employer Retirement Contr - ORP	7.16%	8.21%	7.99%	0.00%	0.00%	0.00%
Retiree Health Insurance Benefits	1.13%	1.10%	1.14%	1.10%	0.00%	0.00%
FICA	6.57%	7.05%	7.80%	7.51%	6.32%	0.87%
Group Life	1.34%	1.32%	1.37%	1.31%	0.00%	0.00%
Medical Hospitalization	11.71%	14.40%	5.57%	21.86%	0.00%	8.66%
Va Sickness and Disability Program	0.04%	0.13%	0.09%	0.56%	0.00%	0.00%
TSA-Employer Match	0.31%	0.38%	0.45%	0.30%	0.00%	0.00%
WTA - Workforce Transition Benefits	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Rate	32.96%	35.10%	27.50%	47.72%	6.65%	9.83%

These rate are valid for FY 2025 only, new rates are negotiated each year with our federal agency, Office of Naval Research (ONR) in May or June preceding the effective fiscal year.