COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1386028429A1
ORGANIZATION:
Wayne State University
5700 Cass, Suite 4900 AAB
Detroit, MI 48202

DATE: 06/02/2015
FILING REF.: The preceding agreement was dated 11/06/2014

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**

<table>
<thead>
<tr>
<th>RATE TYPES:</th>
<th>FIXED</th>
<th>FINAL</th>
<th>PROV. (PROVISIONAL)</th>
<th>PRED. (PREDETERMINED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EFFECTIVE PERIOD</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TYPE</td>
<td>FROM</td>
<td>TO</td>
<td>RATE(%) LOCATION</td>
<td>APPLICABLE TO</td>
</tr>
<tr>
<td>PRED.</td>
<td>10/01/2013</td>
<td>09/30/2014</td>
<td>52.00 On Campus</td>
<td>Organized Research</td>
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<tr>
<td>PRED.</td>
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<td>52.50 On Campus</td>
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<tr>
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<td>09/30/2016</td>
<td>53.00 On Campus</td>
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<tr>
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<td>54.00 On Campus</td>
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<tr>
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<td>53.00 On Campus</td>
<td>Instruction</td>
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<tr>
<td>PRED.</td>
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<td>09/30/2018</td>
<td>37.00 On Campus</td>
<td>Other Sponsored Activities</td>
</tr>
<tr>
<td>PRED.</td>
<td>10/01/2013</td>
<td>09/30/2018</td>
<td>26.00 Off Campus</td>
<td>All Programs</td>
</tr>
<tr>
<td>PROV.</td>
<td>10/01/2018</td>
<td>09/30/2020</td>
<td>26.00 Off Campus</td>
<td>Use same rates and conditions as those cited for fiscal year ending September 30, 2018.</td>
</tr>
</tbody>
</table>

*BASE*
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.
**SECTION I: FRINGE BENEFIT RATES**

<table>
<thead>
<tr>
<th>TYPE</th>
<th>FROM</th>
<th>TO</th>
<th>RATE (%)</th>
<th>LOCATION</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIXED</td>
<td>10/1/2014</td>
<td>9/30/2015</td>
<td>38.70</td>
<td>All</td>
<td>Clerical Staff</td>
</tr>
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<td>FIXED</td>
<td>10/1/2014</td>
<td>9/30/2015</td>
<td>26.60</td>
<td>All</td>
<td>Fac/Prof/Admin</td>
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<tr>
<td>FIXED</td>
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<td>9/30/2015</td>
<td>8.40</td>
<td>All</td>
<td>P/T Faculty</td>
</tr>
<tr>
<td>FIXED</td>
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<td>9/30/2015</td>
<td>10.70</td>
<td>All</td>
<td>Technicians</td>
</tr>
<tr>
<td>FIXED</td>
<td>10/1/2014</td>
<td>9/30/2015</td>
<td>2.20</td>
<td>All</td>
<td>P/T Hourly</td>
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<tr>
<td>FIXED</td>
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<td>9/30/2015</td>
<td>12.50</td>
<td>All</td>
<td>Graduate Students</td>
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<tr>
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<td>31.00</td>
<td>All</td>
<td>Clerical/Admin/Prof</td>
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<tr>
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<td>9/30/2016</td>
<td>24.70</td>
<td>All</td>
<td>Faculty</td>
</tr>
<tr>
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<td>9/30/2016</td>
<td>12.70</td>
<td>All</td>
<td>Faculty - Summer</td>
</tr>
<tr>
<td>FIXED</td>
<td>10/1/2015</td>
<td>9/30/2016</td>
<td>33.20</td>
<td>All</td>
<td>Program/Research</td>
</tr>
<tr>
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<td>9/30/2016</td>
<td>18.50</td>
<td>All</td>
<td>Graduate Students</td>
</tr>
<tr>
<td>FIXED</td>
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<td>9/30/2016</td>
<td>10.50</td>
<td>All</td>
<td>Technician</td>
</tr>
<tr>
<td>FIXED</td>
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<td>9/30/2016</td>
<td>2.10</td>
<td>All</td>
<td>Student Assistant</td>
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<tr>
<td>PROV.</td>
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<td>9/30/2018</td>
<td></td>
<td>All</td>
<td>Use the same rates and conditions as those cited for FYE 9/30/2016</td>
</tr>
</tbody>
</table>

**DESCRIPTION OF FRINGE BENEFITS RATE BASE:**

Salaries and wages.
SECTIOH 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 $5,000 or more per unit.

FRINGE BENEFITS:

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

Your next indirect cost proposal based on actual costs for the fiscal year ending 09/30/17 is due in our office by 03/31/18. Your next fringe benefit proposal based on actual costs for the fiscal year ending 09/30/15 is due in our office by 03/31/16.
ORGANIZATION: Wayne State University

AGREEMENT DATE: 6/2/2015

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.

X. OTHER:
if any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a method 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 those programs.

BY THE INSTITUTION:

Wayne State University

(SIGNATURE)

JAMES D. BARBRET, CONTROLLER
AVP - FISCAL OPERATIONS
WAYNE STATE UNIVERSITY

DATE: 6-22-15

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(SIGNATURE)

ARIF KARIM
DIRECTOR, COST ALLOCATION SERVICES

(TITLE)

DATE: 6-2/2015

REPRESENTATIVE: Narendra Gandhi

TELEPHONE: (214) 767-3261

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June 2, 2015

Mr. James D. Barbret:
Associate Vice President – Finance and Controller
Wayne State University
5700 Cass, Suite 4900 AAB
Detroit, MI 48202

Dear Mr. Barbret:

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

Please have the original signed by an authorized representative of our organization and fax it to me, retaining a copy for your files. Our fax number is (214) 767-3264. We will reproduce and distribute the Agreement to the appropriate awarding organization of the Federal Government for their use.

The Fixed Fringe Benefit cost rate(s) for the fiscal year ending September 30, 2015 are based on actual costs for the fiscal year ended September 30, 2013. They included the following under-recovered (-) or over-recovered (+) costs:

- Clerical Staff - Under-recovery amount of ($283,690)
- Faculty/Prof/Admin - Under-recovery amount of ($3,308,069)
- Part-Time Faculty - Over-recovery amount of $152,492
- Technicians - Over-recovery amount of $55,182
- Student Assistant (PT Hourly) - Under-recovery amount of ($9,645)
- Graduate Assistant - Over-recovery amount of $1,049,334

The fixed fringe benefit rate(s) for fiscal year ending September 30, 2013 is considered final.

Effective October 1, 2014 the university regrouped its employees into 7 groups. The carry forward amounts from FYE 2012 was properly reclassified and reconciled to the new 7 groups. The Fixed Fringe Benefit cost rate(s) for the fiscal year ending September 30, 2016 are based on actual costs for the fiscal year ended September 30, 2014. They included the following under-recovered (-) or over-recovered (+) costs:

- Clerical/Admin/Professional - Under-recovery amount of ($2,449,432)
- Faculty - Under-recovery amount of ($6,320)
Mr. James D. Barbret  
Wayne State University  
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Faculty – summer  -  Under-recovery amount of ($227,694)  
Program/Research  -  Under-recovery amount of ($2,460,474)  
Graduate Assistant  -  Over-recovery amount of $48,240  
Technician  -  Over-recovery amount of $79,897  
Student Assistant  -  Under-recovery amount of ($19,560)

The fixed fringe benefit rate(s) for fiscal year ending September 30, 2014 is considered final.

A Fringe Benefit cost proposal, together with supporting information and the certified audit financial statement, is required each year. Thus your next Fringe Benefit proposal based on actual costs for the fiscal year ending September 30, 2015 is due in our office by March 31, 2016. Your next indirect cost proposal based on actual costs for the fiscal year ending 09/30/17 is due in our office by 03/31/18.

Since this is an integral part of the negotiation agreement, please note your acceptance by signing in the space provided on this page of the letter.

Thank you for your cooperation.

Sincerely,

Arif Karim, Director  
Cost Allocation Services

Enclosures  
ACCEPTANCE:

Wayne State University  
(Institution)

(Signature)

James D. Barbret, Controller  
 Fécal Operations  
Wayne State University  

(Title)  

6-22-15  
(Date)
OFFICIAL NOTIFICATION
New Procedures for Submitting
College and University Facilities & Administrative Rate Proposals

NAME CHANGE: From Division of Cost Allocation to Cost Allocation Services (CAS)

This is to officially notify you that CAS has implemented an automated Document Management and Workflow System (eFlow). The eFlow System is designed to capture Facilities & Administration (F&A) rate proposals (and if applicable, associated fringe rate proposals) along with other supporting documents electronically by email or scanning. CAS implemented this system to enhance the efficiency and productivity of our review process, in compliance with the Paper Reduction Act. Additionally, transitioning to eFlow eliminates barriers associated with paper documents in the new era of electronic transmission.

Effective immediately, all F&A rate proposals together with supporting information should be submitted electronically to your respective regional office at the following email address: CAS-Dallas@psc.hhs.gov. For those organizations not having the capability to submit their proposals electronically, you may submit a hardcopy via mail for scanning into the eFlow System. However, an electronic submission is preferred.

Please note that effective January 2015 all organizations will be required to submit electronically.

The preferred electronic format is two separate PDF files, as follows:

1. Single PDF file titled “Proposal” containing the entire proposal, including the transmittal letter, checklists, required certification, and reconciliation/support schedules. This file should not include the supporting financial data (e.g. audited financial statements, Single Audit, etc.)

2. Separate single PDF file titled “Financial Statements”, containing the applicable financial data (e.g. audited financial statements, Single Audit, etc.) upon which the rates are based.

Note: If the organization proposes a fringe benefit rate, it should be submitted as a separate e-mail and separate proposal PDF attachment.

Due to our email server limitations, we cannot receive e-mails exceeding 25MB (including all attachments). Therefore, if the proposal and financial statements together exceed 25 MB, please mail a CD or flash drive containing the electronic files. This is the preferred option for very large proposals.

If you have any questions concerning the next submittal of your F&A rate proposal, or have problems forwarding your documents electronically, please contact us at (214) 767-3261.