



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

IN REPLY REFER TO:

Agreement Date: 12/20/07

## NEGOTIATION AGREEMENT

Institution: WOODS HOLE OCEANOGRAPHIC INSTITUTION  
 WOODS HOLE, MASSACHUSETTS 02543

The Indirect Cost and Fringe Benefit rates contained herein are for use on all grants and/or contracts issued or awarded to the Woods Hole Oceanographic Institution (WHOI) by all Federal agencies of the United States of America in accordance with the cost principles mandated by 2 CFR Part 230 – formerly Office of Management and Budget (OMB) Circular A-122. These rates shall be used for forward pricing and billing purposes for WHOI for Fiscal Year 2008 or until amended. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Year 2008.

### SECTION I: RATES - TYPE: PROVISIONAL (PROV)

<u>Type</u>	<u>Expense Pool</u>	<u>Effective Period</u>		<u>Rate</u>	<u>Base</u>	<u>Applied To</u>
		<u>From</u>	<u>To</u>			
<u>Indirect Cost Rates:</u>						
Prov	Lab OH	1/1/08	Until Amended	59.50%	(a)	Research
Prov	G&A	1/1/08	Until Amended	30.00%	(b)	Research
<u>Fringe Benefits Rates:</u>						
Prov	Fringe (Reg)	1/1/08	Until Amended	52.72%	(c)	All Activities
Prov	Fringe (Reg OT)	1/1/08	Until Amended	20.00%	(d)	All Activities
Prov	Fringe (Casual)	1/1/08	Until Amended	10.62%	(e)	All Activities
Prov	Fringe (Casual OT)	1/1/08	Until Amended	7.60%	(f)	All Activities
Prov	Cruise Leave	1/1/08	Until Amended	10.31%	(g)	All Activities

## DISTRIBUTION BASES

- (a) Direct research and education salaries plus related Employee Benefits plus one half of Graduate Research Assistant salaries.
  - (b) Direct salaries plus related Employee Benefits incurred for Research, Education, Ship Operations (including submersibles), Development, Housing, Oceanus Magazine and other appropriate final cost objectives.
  - (c) Total assignable salaries of regular employees (direct and indirect) excluding Graduate Research Assistants and overtime salaries.
  - (d) Total assignable overtime salaries of regular employees.
  - (e) Total assignable salaries of casual employees (direct and indirect) excluding Graduate Research Assistants and overtime salaries.
  - (f) Total assignable overtime salaries of casual employees.
  - (g) Total assignable cruise leave salaries of regular employees.
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## **SECTION II - GENERAL TERMS AND CONDITIONS**

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**A. LIMITATIONS:** Use of the rates set forth under Section I is subject to any statutory or administrative limitations and is 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 the rates agreed to herein is predicated upon all of the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in this indirect cost pool as finally accepted and that such costs are legal obligations of the grantee/contractor 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 grantee/contractor, which was used as the 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 written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. Such changes include but are not limited to changes in the charging of a particular type of costs from indirect to direct. Failure to obtain such approval may result in subsequent cost disallowances.

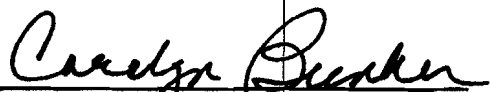
**E. USE BY OTHER FEDERAL AGENCIES:** The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in 2 CFR Part 230. Accordingly, such rates shall be applied to the extent provided in such regulation to grants and contracts to which 2 CFR Part 230 is applicable, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other Federal agencies which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

**D. 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 anytime.

**E. SPECIAL REMARKS:** The government's agreement to the rates in Section I, based on the accounting systems and allocation methodologies in effect at the time of this agreement was signed, does not represent an agreement that these systems and methodologies are accepted for FY 2008 or any subsequent fiscal year's rate negotiations.

Acceptance:

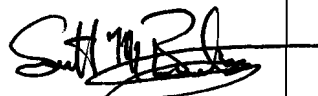
WOODS HOLE OCEANOGRAPHIC  
INSTITUTION:



CAROLYN BUNKER  
Vice President for Finance  
and Administration

12/21/07  
Date

FOR THE U.S GOVERNMENT:



SCOTT M. BUKOVEC  
Contracting Officer

12/21/07  
Date

*For information concerning  
this agreement contact:*

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