

**DEPARTMENT OF THE NAVY**

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

IN REPLY REFER TO:

Agreement Date: August 26, 2013

Supersedes Agreement dated: January 17, 2013

NEGOTIATION AGREEMENT

INSTITUTION: **WOODS HOLE OCEANOGRAPHIC INSTITUTION**
WOODS HOLE, MASSACHUSETTS 02543

The Indirect Cost and Fringe Benefits rates contained herein are for use on grants, contracts, and other agreements with all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR 230 (formerly OMB Circular A-122). These rates shall be used for forward pricing and billing purposes for Woods Hole Oceanographic Institution (WHOI)'s Fiscal Years 2013-2014. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Years 2013-2014.

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

Indirect Rates:

<u>TYPE</u>	<u>EXPENSE POOL</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>
Fixed	Lab OH	1/1/13	12/31/13	54.53%	(a)	Research
Prov	Lab OH	1/1/14	12/31/14	54.53%	(a)	Research
Fixed	G&A	1/1/13	12/31/13	32.29%	(b)	Research
Prov	G&A	1/1/14	12/31/14	32.29%	(b)	Research

Fringe Benefit Rates:

<u>TYPE</u>	<u>EXPENSE POOL</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>APPLICABLE TO</u>
Fixed	Fringe (Reg)	1/1/13	12/31/13	36.89%	(c)	All Activities
Prov	Fringe (Reg)	1/1/14	12/31/14	36.89%	(c)	All Activities
Fixed	Fringe (Reg OT)	1/1/13	12/31/13	29.92%	(d)	All Activities
Prov	Fringe (Reg OT)	1/1/14	12/31/14	29.92%	(d)	All Activities
Fixed	Fringe (Casual)	1/1/13	12/31/13	8.21%	(e)	All Activities
Prov	Fringe (Casual)	1/1/14	12/31/14	8.21%	(e)	All Activities
Fixed	Fringe (Casual OT)	1/1/13	12/31/13	2.13%	(f)	All Activities
Prov	Fringe (Casual OT)	1/1/14	12/31/14	2.13%	(f)	All Activities
Fixed	Cruise Leave	1/1/13	12/31/13	8.34%	(g)	All Activities
Prov	Cruise Leave	1/1/14	12/31/14	8.34%	(g)	All Activities
Fixed	Paid Absences	1/1/13	12/31/13	18.56%	(h)	All Activities
Prov	Paid Absences	1/1/14	12/31/14	18.56%	(h)	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, and Ship Operations (including submersibles).
- (c) Total assignable salaries of regular employees (direct and indirect) including paid absences, excluding Graduate Research Assistants and overtime salaries and allocated paid leave benefits
- (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.
- (h) Total assignable salaries of regular employees (direct and indirect) excluding Graduate Research Assistants and overtime salaries.

SECTION II - GENERAL TERMS AND CONDITIONS

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. Acceptance of the rates agreed to herein is predicated upon 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 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 approval of the authorized representative of the cognizant negotiation agency. 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. 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.

D. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates contained in this agreement are based on estimates of the costs for FY 2013. When actual costs for this fiscal year are determined, adjustments will be applied to the next subsequent rate negotiation to recognize the difference between the FY 2013 estimated costs used to establish the fixed rates and the negotiated actual FY 2013 costs.

E. Carry Forward Amounts: The following estimated carry-forward amounts were considered in the establishment of the FY 2013 rates:

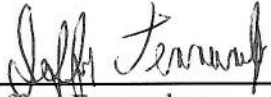
Rate Category	Liquidated in FY 2013 Fixed Rates
Indirect Costs:	
Lab Overhead - FY 10 <i>Estimated</i>	\$872,672
Lab Overhead - FY 11 <i>Estimated</i>	\$497,773
G&A - FY 09 <i>Estimated</i>	\$45,877
G&A - FY 10 <i>Estimated</i>	\$47,943
G&A - FY 11 <i>Estimated</i>	\$1,304,328
Employee Benefits:	
Regular - FY 10 <i>Estimated</i>	\$856,977
Regular - FY 11 <i>Estimated</i>	(\$867,180)
Regular OT - FY 11 <i>Estimated</i>	(\$2,874)
Casual - FY 11 <i>Estimated</i>	(\$1,314)
Casual OT - FY 09 - <i>Estimated</i>	\$127
Casual OT - FY 10 - <i>Estimated</i>	\$141
Casual OT - FY 11 - <i>Estimated</i>	(\$1,966)
Cruise Leave - FY 11 <i>Estimated</i>	\$47
Paid Absences - FY 11 <i>Estimated</i>	\$321,737

Note: () denotes over-recovery.

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 230. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts, and other transactions to which 2 CFR 230 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 which have or intend to issue or award sponsored agreements using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

Accepted:

FOR WOODS HOLE OCEANOGRAPHIC
INSTITUTION:

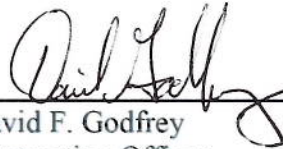


Jeffrey Fernandez
Vice President for Finance
and Administration and CFO

8/27/2013

Date

FOR THE U.S. GOVERNMENT:



David F. Godfrey
Contracting Officer

9/6/2013

Date

For information concerning this agreement contact:

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