



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

5600 Fishers Lane | Office 08N144
Rockville, MD 20857
EMAIL: CAS-Bethesda@psc.hhs.gov

June 24, 2024

Mr. David LaChina
Executive Vice President, Finance & Administration
Morgan State University
1700 E. Cold Spring Lane
307 Truth Hall
Baltimore, MD 21251-0001

Dear Mr. LaChina:

A copy of the facilities and administrative (F&A) cost Rate Agreement is being faxed to you for your signature. This agreement reflects an understanding reached between your organization and the Division of Cost Allocation concerning the rate(s) that may be used to support your claim for F&A costs and fringe benefits on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and returned to me, retaining the copy for your files. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

The Office of Management and Budget (OMB) has requested that we reach an agreement with each institution on the components of the published indirect cost rates. The attached form(s) are provided for that purpose. Please sign the form(s) and return them with the original agreement.

An F&A cost proposal, together with the supporting information, are required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Therefore, your next indirect cost rate proposal based on actual costs for the fiscal year ending 06/30/25 is due in this office by 12/31/25.

Sincerely,

Darryl W. Mayes Digitally signed by Darryl W. Mayes -S
Date: 2024.07.05 08:35:19 -04'00'

Darryl W. Mayes
Deputy Director
Cost Allocation Services

Enclosures

PLEASE SIGN AND RETURN THE ORIGINAL OF THE RATE AGREEMENT

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 52-6002033
 ORGANIZATION:
 Morgan State University
 1700 E. Cold Spring Lane
 Truth Hall 307
 Baltimore, MD 21251

Date: 06/24/2024
 FILING REF.: The preceding
 agreement was dated
 05/08/2020

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)
	<u>EFFECTIVE PERIOD</u>				
<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2023	06/30/2024	51.00	On-Campus	Organized Research
PRED.	07/01/2024	06/30/2025	53.00	On-Campus	Organized Research
PRED.	07/01/2024	06/30/2026	54.00	On-Campus	Organized Research
PRED.	07/01/2023	06/30/2024	62.00	On-Campus	Instruction
PRED.	07/01/2024	06/30/2026	64.00	On-Campus	Instruction
PRED.	07/01/2023	06/30/2024	38.00	On-Campus	Other Sponsored Activity
PRED.	07/01/2024	06/30/2026	42.00	On-Campus	Other Sponsored Activity
PRED.	07/01/2023	06/30/2026	26.00	Off-Campus	All Programs
PROV.	07/01/2026	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2026.

***BASE**

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

ORGANIZATION: Morgan State University

AGREEMENT DATE: 06/24/2024

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits 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 allowed 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.

Fringe Benefits include: FICA/Medicare, Retirement, Tuition Remission, TIAA/CREF, Workers' Compensation, Unemployment Insurance, and Health Insurance.

The next indirect cost proposal based on actual costs for the fiscal year ending 06/30/2024 is due in our office by 12/31/2024.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

ORGANIZATION: Morgan State University

AGREEMENT DATE: 06/24/2024

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:

Morgan State University

(INSTITUTION)

(SIGNATURE)

David LaChina

(NAME)

EVP for Finance and Administration

(TITLE)

(DATE)

7/16/24

ON BEHALF OF THE GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes -S

(SIGNATURE)

Digitally signed by Darryl W.

Mayes -S

Date: 2024.07.05 08:33:43 -04'00'

Darryl W. Mayes

(NAME)

Deputy Director, Cost Allocation Services

(TITLE)

06/24/2024

(DATE)

HHS REPRESENTATIVE: Steven Zuraf

TELEPHONE:

(301) 492-4855

COMPONENTS OF PUBLISHED FACILITIES AND ADMINISTRATIVE COST RATE

Morgan State University

July 1, 2023 thru June 30, 2026

Institution:

FY Covered by Rate:

Type of Rate:

RATE COMPONENTS:

Bldg & Improv - Depr/Use Allow

Equipment - Depr/Use Allow

Land & Infrastructure

Interest

Operations & Maintenance

Library

Administrative Component

Total

	Organized Research			Instruction			Other Sponsored Activity			
	ON FY '24	ON FY '25	ON FY '26	OFF FY '24 - '26	ON FY '24	OFF FY '25 - '26	OFF FY '24 - '26	ON FY '24	OFF FY '25 - '26	OFF FY '24 - '26
Bldg & Improv - Depr/Use Allow	7.8	9.0	9.50		7.0	8.0		2.0	5.0	
Equipment - Depr/Use Allow	2.5	0.5	0.6		2.0	2.0		1.0	0.8	
Land & Infrastructure	0.6	0.2	0.3		2.0	2.0		0.9	0.3	
Interest	0.0	0.2	0.2		0.0	0.2		0.0	0.2	
Operations & Maintenance	13.2	16.5	16.8		17.0	21.8		6.1	9.3	
Library	0.9	0.6	0.6		8.0	4.0		2.0	0.4	
Administrative Component	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Total	51.0	53.00	54.00	26.0	62.0	64.0	26.0	38.0	42.0	26.0

CONCURRENCE:


 Signature

David LaChina

Name

EVP for Finance and Administration

Title


 Date