



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

7700 Wisconsin Avenue, Suite 2301  
Bethesda, MD 20814  
PHONE: (301) 492-4855  
FAX: (301) 492-5081  
E-mail: [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov)

April 12, 2016

Mr. Mark Babashanian  
VP for Administration  
Eastern Virginia Medical School  
P. O. Box 5  
Norfolk, VA 23501

Dear Mr. Babashanian,

The original and one copy of this facilities and administrative (F&A) cost Rate Agreement are enclosed. 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 on grants and contracts with the Federal Government.

Please have the original signed by an authorized representative of your organization and email it to me, retaining the copy for your files. Our email is [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov). 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 F&A rates. The attached form is provided for that purpose. Please sign the form and fax it with the original Rate Agreement.

A F&A cost rate proposal, together with the supporting information, are required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/18, will be due in our office by 12/31/18. Please submit your next proposal electronically via email to [CAS-Bethesda@psc.hhs.gov](mailto:CAS-Bethesda@psc.hhs.gov).

Sincerely,  
Darryl W.  
Mayes -A

Darryl W. Mayes  
Deputy Director  
Cost Allocation Services

Digitally signed by Darryl W. Mayes -A  
DN: c=US, o=U.S. Government,  
ou=HHS, ou=PSC, ou=People,  
0.9.2342.19200300.100.1.1=20001316  
69, cn=Darryl W. Mayes -A  
Date: 2016.04.18 10:50:21 -0400

Enclosures

PLEASE SIGN AND RETURN A COPY OF THE RATE AGREEMENT

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN: 54-6055378

DATE:04/11/2016

**ORGANIZATION:**

Eastern Virginia Medical School  
 VP for Administration and Finance  
 PO Box 1980  
 Norfolk, VA 23501-1980

FILING REF.: The preceding  
 agreement was dated  
 11/27/2015

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: Facilities And Administrative Cost Rates**

RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)      PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2015	06/30/2016	46.50	On-Campus	Organized Research
PRED.	07/01/2016	06/30/2018	48.50	On-Campus	Organized Research
PRED.	07/01/2018	06/30/2019	50.00	On-Campus	Organized Research
PRED.	07/01/2015	06/30/2019	26.00	Off-Campus	Organized Research
PRED.	07/01/2015	06/30/2019	52.00	On-Campus	Instruction
PRED.	07/01/2015	06/30/2019	26.00	Off-Campus	Instruction
PRED.	07/01/2015	06/30/2019	40.00	On-Campus	Other Sponsored Activities
PRED.	07/01/2015	06/30/2019	26.00	Off-Campus	Other Sponsored Activities

ORGANIZATION: Eastern Virginia Medical School

AGREEMENT DATE: 4/11/2016

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PROV.	07/01/2019	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2019.

\*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.

ORGANIZATION: Eastern Virginia Medical School

AGREEMENT DATE: 4/11/2016

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**SECTION II: SPECIAL REMARKS**

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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 allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.

Fringe Benefits include: FICA, Health and Dental Insurance, Group Life Insurance, Family Assistance Plan, Retirement Plan, Worker's Compensation, Unemployment Compensation, Employee Physicals and Employee Parking.

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.

A proposal for fiscal year ending 06/30/2018 is due in our office by 12/31/2018.

ORGANIZATION: Eastern Virginia Medical School

AGREEMENT DATE: 4/11/2016

**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:

Eastern Virginia Medical School

(INSTITUTION)

*Mark R. Baba*

(SIGNATURE)

*Mark R. Baba*

(NAME)

*VP for Administration & Finance*

(TITLE)

*4/17/16*

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

*Darryl W. Mayes* - Digitally signed by Darryl W. Mayes - A  
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,  
ou=People, ou=2342.19200300.100.1.1=2000731669,  
cn=Darryl W. Mayes - A  
Date: 2016.04.18 10:48:45 -0400

(SIGNATURE)

*Darryl W. Mayes*

(NAME)

*Deputy Director, Cost Allocation Services*

(TITLE)

*4/11/2016*

(DATE) 0605

HHS REPRESENTATIVE: Lucy Siow

Telephone: (301) 492-4855

**COMPONENTS OF THE PUBLISHED F&A RATES**

INSTITUTION EASTERN VIRGINIA MEDICAL SCHOOL

FY COVERED BY RATES FY 2016 - FY 2019

RATE COMPONENTS:

	ORGANIZED RESEARCH			INSTRUCTION		OTHER SPONSORED ACTIVITIES	
	On-Campus FY 16	On-Campus FY 17-18	On-Campus FY 19	Off-Campus FY 16-19	Off-Campus FY 16-19	Off-Campus FY 16-19	Off-Campus FY 16-19
Bldg & Improv - Depr/Use Allow	3.0	3.5	3.8	4.2		3.3	
Equipment - Depr/Use Allow	2.5	2.6	2.6	2.3		1.0	
Interest	3.5	4.4	5.1	3.5		2.4	
Operations & Maintenance	10.3	10.5	11.0	10.2		6.0	
Library	1.2	1.5	1.5	5.8		1.3	
Administrative Component	26.0	26.0	26.0	26.0		26.0	26.0
<b>Total</b>	<b>46.5</b>	<b>48.5</b>	<b>50.0</b>	<b>52.0</b>		<b>40.0</b>	<b>26.0</b>

**CONCURRENCE:**

Mark R. Babashanian 4/19/16  
Signature

Mark R. Babashanian  
Name

VP for Administration & Finance  
Title