



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

90 7th Street, Suite 4-600
San Francisco, CA 94103-6705
PHONE: (415) 437-7820
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April 3, 2020

Brian Nowlin
Chief Operating Officer
California State University,
Long Beach Research Foundation
6300 State University Drive, Suite 332
Long Beach, CA 90815

Dear Dr. Nowlin:

A copy of the indirect rate cost rate agreement is being sent to you for signature. This agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for F&A and fringe benefit costs on grants and contracts with the Federal Government.

In addition, both parties agree to the following over-recovery for Regular Foundation Employees:

Over-recovery of \$455,660 for FYE 2019 to fix FY 2021

This amount is included in your fixed fringe benefit rates for the fiscal years ending 06/30/2021 which is listed in the attached rate agreement.

During our review of your proposal, it was disclosed that the Institution's actuarially determined pension contributions exceeded the Governmental Accounting Standards Board (GASB) Statement No. 68 calculated pension expenses. However, 2 CFR §200.431(g)(3) only allows pension plan costs determined in accordance with GAAP (i.e., GASB 68). The Office of Management and Budget (OMB) is aware of this issue and is currently considering revising the regulations. Therefore, we reserve the right to revise this Agreement to disallow the pension contributions in excess of the GASB 68 calculated pension expenses, if OMB does not revise the regulations or issue an exception.

Please indicate your concurrence with the condition by counter-signing this letter below and returning it to me.

Please have the agreement signed by an authorized representative of your organization and return within ten business days of receipt. The signed agreement should be sent to me by email, while retaining the copy for your files. Only when the signed agreement is returned, will we then reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

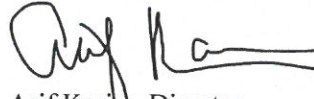
PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL

Dr. Brian Nowlin
California State University Long Beach Research Foundation

April 3, 2020
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A F&A and a fringe benefit proposal, together with the required supporting information, must be submitted to this office for each fiscal year in which your organization claims fringe benefit costs under grants and contracts awarded by the Federal Government. Therefore, your next proposals based on actual costs for the fiscal year ending 06/30/2020 are due in our office by 12/31/2020. Please submit your next proposal electronically via email to CAS-SF@psc.hhs.gov.

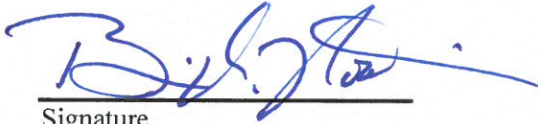
Sincerely,



Arif Karim, Director
Cost Allocation Services

Enclosure

In concurrence:


Signature

Brian M. Nowlin, Ed.D.

Name

Chief Operating Officer

Title

04/07/2020

Date

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 95-6106694

DATE: 04/03/2020

ORGANIZATION:

FILING REF.: The preceding agreement was dated 04/16/2019

Calif State Univ, Long Beach Research Fdn
FKA: CSU, Long Beach & the Fdn
6300 State University Drive, Suite 332
Long Beach, CA 90815

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)

EFFECTIVE PERIOD

Table with 6 columns: TYPE, FROM, TO, RATE (%), LOCATION, APPLICABLE TO. Rows include PRED. and PROV. rates for Organized Research, Instruction, and Other Sponsored Activities.

*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...

ORGANIZATION: Calif State Univ, Long Beach Research Fdn FKA: CSU,
Long Beach & the Fdn

AGREEMENT DATE: 04/03/2020

SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	07/01/2020	06/30/2021	23.30	Foundation	Regular Employees
PROV.	07/01/2021	06/30/2024	23.30	Foundation	Regular Employees

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages excluding vacation, holiday, sick leave pay and other paid absences.

ORGANIZATION: Calif State Univ, Long Beach Research Fdn FKA: CSU,
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AGREEMENT DATE: 04/03/2020

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

For Foundation Regular Employees, this organization uses a fringe benefit rate which includes the costs of State unemployment, Retiree Medical, Cafeteria Plan and VEBA, and is applied to salaries and wages and budgeting and charging purposes for Federal projects. Actual costs are used for charging purposes for the following fringe benefits: FICA, WORKERS COMPENSATION, HEALTH/LIFE INSURANCE, DISABILITY, MEDICARE AND RETIREMENT.

For Foundation employment categories other than Foundation Regular Employees, the organization uses a fringe benefit rate which includes the costs of State Unemployment and is applied to salaries and wages for budgeting and charging purposes for Federal projects. Actual costs are used for charging purposes for the following fringe benefits: FICA, WORKERS COMPENSATION, AND MEDICARE.

For University Employees, a state calculated fringe benefit rate is used for budgeting purposes for Federal projects. Faculty are released to the Foundation when working on Federal projects, and fringe benefits are reimbursed by the Foundation to the University. The following fringe benefits are treated as direct costs: SUI, SDI, WORKERS COMPENSATION, HEALTH/LIFE INSURANCE, AND RETIREMENT.

TREATMENT OF PAID ABSENCES

For Foundation Regular Employees, the cost of Vacation and Other Paid Absences (OPA) are included in a fringe benefit rate and are not included in direct charges for salaries and wages. Charges for salaries and wages must exclude those paid to Foundation Regular Employees on Vacation or OPA.

For Foundation employment categories other than Foundation Regular Employees, Vacation and OPA are not provided. Thus, charges separate from salaries and wages are not made for this type of benefit.

For University Employees, Vacation and OPA are included in salaries and wages. Separate claims for these costs are not made. Faculty are released to the Foundation when working on Federal projects, and Vacation and OPA are reimbursed by the Foundation to the University as part of the normal charge for salaries and wages.

ORGANIZATION: Calif State Univ, Long Beach Research Fdn FKA: CSU,
Long Beach & the Fdn

AGREEMENT DATE: 04/03/2020

DEFINITION OF EQUIPMENT:

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 \$5,000.

NEXT PROPOSAL DUE DATE

The next F&A proposal and fringe benefit proposal based on actual costs for fiscal year ending 06/30/2020 will be due no later than 12/31/2020.

This rate agreement updates the fringe benefit rate only.

ORGANIZATION: Calif State Univ, Long Beach Research Fdn FKA: CSU,
Long Beach & the Fdn
AGREEMENT DATE: 04/03/2020

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:

Calif State Univ, Long Beach Research Fdn FKA: CSU, Long Beach &
the Fdn

(INSTITUTION)

(SIGNATURE)

Brian M. Nowlin, Ed.D.

(NAME)

Chief Operating Officer

(TITLE)

04/07/2020

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

04/03/2020

(DATE) 1743

HHS REPRESENTATIVE:

Helen Fung

Telephone:

(415) 437-7820