



NATIONAL SCIENCE FOUNDATION

2415 Eisenhower Avenue  
Alexandria, VA 22314

*Division of Institution and Award Support*  
(703) 292-8244 VOICE  
(703) 292-9440 FAX

May 18, 2018

Ms. Camille M. Romano  
Chief Financial Officer  
The Woods Hole Research Center  
149 Woods Hole Road  
Falmouth, MA 02540

Dear Ms. Romano:

We have completed our review of the indirect cost proposal and supporting financial data submitted to the National Science Foundation (NSF) for your fiscal year ended June 30, 2017.

The enclosed rate agreement indicates the rates approved by this office. Please indicate your concurrence with these rates by signing, dating and returning a copy of the agreement to my attention at the above address. The rates included in the agreement may not be used until the agreement has been ratified through signatures from both your organization and NSF.

Should you wish to appeal any of the indirect cost pool adjustments NSF made as part of this rate negotiation, you may follow the dispute resolution procedures contained in Chapter XII of the NSF Propose & Award Policies and Procedures Guide (PAPPG). These may be found online at: [https://www.nsf.gov/pubs/policydocs/pappg17\\_1/pappg\\_12.jsp](https://www.nsf.gov/pubs/policydocs/pappg17_1/pappg_12.jsp).

Per the rates that have established, the organization will not be required to submit a new indirect cost rate proposal until the end of your FY 2018. This proposal should be submitted to this office within 6 months after the end of the organization's fiscal year, and should follow NSF's current submission procedures (<https://www.nsf.gov/bfa/dias/caar/docs/idcsubmissions.pdf>). As discussed during the review, please include the final version of the revised Cost Policy Statement with the FY 2018 indirect cost rate proposal.

If you have any questions concerning the contents of this letter or the rate agreement, please contact Víctor L. Vélez at (703) 292-2710.

Sincerely,  


*Meghan A. Benson*

Meghan A. Benson  
Lead Analyst, Indirect Cost Rates  
Cost-Analysis and Pre-Award Branch (CAP)  
Division of Institution and Award Support

Enclosure: Rate Agreement

**NON-PROFIT ORGANIZATION  
NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA)**

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EIN #: 04-3005094

NSF INS CODE: 4083028000

**ORGANIZATION:**

The Woods Hole Research Center  
149 Woods Hole Road  
Falmouth, MA 02540

**DATE:** May 18, 2018

**FILING REF:** The preceding agreement was dated August 1, 2017.

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 II.

**SECTION I: RATES**

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**Indirect Cost Rates**

<u>Type</u>	<u>Effective Period</u>	<u>Rate</u>	<u>Base</u>
FINAL	07/01/16 – 06/30/17	49.13%	(a)
PROVISIONAL	07/01/17 – 06/30/18	48.65%	(a)
PROVISIONAL	07/01/18 – 06/30/19	51.04%	(a)

**Rate Application Bases**

- (a) Modified Total Direct Costs - Total direct costs excluding capital expenditures, equipment, participant support, and the portion of each subaward or subcontract in excess of \$25,000 (regardless of the period covered by the subaward or subcontract).

**Fringe Benefits**

<u>Type</u>	<u>Effective Period</u>	<u>Rate</u>
FINAL		
Full-time	07/01/16 – 06/30/17	52.62%
Part-time	07/01/16 – 06/30/17	12.00%
PROVISIONAL		
Full-time	07/01/17 – 06/30/18	53.00%
Part-time	07/01/17 – 06/30/18	12.00%
PROVISIONAL		
Full-time	07/01/18 – 06/30/19	53.00%
Part-time	07/01/18 – 06/30/19	12.00%

**Treatment of fringe benefits:** Fringe benefits associated with direct salaries and wages are treated as direct costs and included in the indirect cost rate application base. Fringe benefits consist of:

FICA/Health Insurance Taxes/Unemployment Taxes  
Health and Dental, and Life Insurance  
Disability Insurance  
Workers Compensation  
Retirement Plan Contributions  
Vacation, Sick Leave, Holidays and Other Paid Time off

**SECTION II: GENERAL TERMS**

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- A. **LIMITATIONS:** Use of the rates contained in this agreement is subject to any applicable contractual or grant limitations. Acceptance of these rates agreed to herein is predicated upon the conditions: (1) that no costs other than those incurred by the contractor or grantee were included in its indirect cost proposal and that such costs are legal obligations of the contractor or grantee, (2) that the same costs that have been treated as indirect costs have not been claimed as direct costs, and (3) that similar types of costs have been accorded consistent treatment.
- B. **AUDIT:** All costs, direct and indirect, Federal and non-Federal are subject to audit. Adjustments to amounts resulting from audit of cost allocation plan or indirect rate proposal upon which the negotiation of this agreement was based will be compensated for in subsequent negotiation.
- C. **ACCOUNTING CHANGES:** The rates contained in this agreement are based on the accounting system in effect at the time the proposal was prepared and the rates were negotiated. Changes to the method of accounting which effect the amount of reimbursement resulting from the use of these rates require the prior approval of this office. Failure to obtain such approval may result in subsequent cost disallowances.
- D. **RATE TYPES:**
  - 1. **Provisional/Final Rate:** Within six (6) months after fiscal year end, a final indirect cost rate proposal must be submitted based on actual costs. Billings and charges to federal grants and contracts must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds to cover the additional indirect costs, the organization may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the organization will be required to pay back the difference to the funding agency.
  - 2. **Predetermined Rate:** Predetermined rates are applicable to a current or future period, and are based upon an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.
- E. **NOTIFICATION TO FEDERAL AGENCIES:** Copies of this document may be provided to other Federal offices as a means of notifying them of the rates agreed to herein.

**SECTION III: ACCEPTANCE**

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**BY THE ORGANIZATION:**

The Woods Hole Research Center  
\_\_\_\_\_  
(Organization)

*Camille M Romano*  
\_\_\_\_\_  
(Signature)

*Camille M Romano*  
\_\_\_\_\_  
(Name)

*Chief Financial Officer*  
\_\_\_\_\_  
(Title)

*5/22/18*  
\_\_\_\_\_  
(Date)

**ON BEHALF OF THE FEDERAL GOVERNMENT:**

National Science Foundation  
\_\_\_\_\_  
(Agency)

*Meghan A. Benson*  
\_\_\_\_\_  
(Signature)

Meghan A. Benson  
\_\_\_\_\_  
(Name)

Lead Analyst, Indirect Cost Rates  
Cost-Analysis and Pre-Award Branch  
\_\_\_\_\_  
(Title)

*5/18/18*  
\_\_\_\_\_  
(Date)

NSF Negotiator: Víctor L. Vélez  
Telephone: 703-292-2710