NEGOTIATION AGREEMENT

INSTITUTION: MASSACHUSETTS INSTITUTE OF TECHNOLOGY
CAMBRIDGE, MASSACHUSETTS 02139

The Fringe Benefits rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to the Massachusetts Institute of Technology by all Federal Agencies of the United States of America, in accordance with the provisions and cost principles mandated by 2 CFR Part 200. These rates shall be used for forward pricing and billing purposes for the Massachusetts Institute of Technology Fiscal Year 2022. This rate agreement supersedes all previous rate agreements/determinations related to these rates for Fiscal Year 2022.

Section I: RATES - TYPE: FIXED (FIXED)

2022

Employee Benefits Rates:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>FROM</th>
<th>TO</th>
<th>RATE</th>
<th>BASE</th>
<th>APPLICABLE TO</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed</td>
<td>7/1/21</td>
<td>6/30/22</td>
<td>24.8%</td>
<td>(a)</td>
<td>Full Time Non-Student Employees</td>
<td>On Campus</td>
</tr>
<tr>
<td>Fixed</td>
<td>7/1/21</td>
<td>6/30/22</td>
<td>22.1%</td>
<td>(b)</td>
<td>Full Time Non-Student Employees</td>
<td>Off Campus</td>
</tr>
<tr>
<td>Fixed</td>
<td>7/1/21</td>
<td>6/30/22</td>
<td>9.0%</td>
<td>(c)</td>
<td>Part Time Employees and non-Registered MIT Students</td>
<td>On/Off Campus</td>
</tr>
</tbody>
</table>

Vacation Leave Rates:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>FROM</th>
<th>TO</th>
<th>RATE</th>
<th>BASE</th>
<th>APPLICABLE TO</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed</td>
<td>7/1/21</td>
<td>6/30/22</td>
<td>8.7%</td>
<td>(d)</td>
<td>Full Time Research Employees</td>
<td>On Campus</td>
</tr>
<tr>
<td>Fixed</td>
<td>7/1/21</td>
<td>6/30/22</td>
<td>10.6%</td>
<td>(e)</td>
<td>Full Time Research Employees</td>
<td>Off Campus</td>
</tr>
</tbody>
</table>

DISTRIBUTION BASES

(a) The MIT On-campus salary base consists of salaries and wages of all full time non-student MIT employees charged to MIT general (not research) accounts and MIT Research On-campus accounts.

(b) The MIT Off-campus salary base consists of salaries and wages of all full time non-student MIT employees charged to MIT general (not research) accounts and MIT Research Off-campus accounts, including Lincoln Laboratory.

(c) The MIT salary base consists of salaries and wages of all part time employees and non-registered MIT students (on and off campus).
(d) The MIT Vacation Leave On campus base consists of salaries and wages of all full time non-
student, non-faculty MIT research personnel (Research Staff, Hourly Personnel, Project
Support Staff, and Tech/Admin Support) charged to MIT Research On-campus accounts.
(e) The MIT Vacation Leave Off campus salary base consists of salaries and wages of all full
time non-student, non-faculty MIT research personnel (Research Staff, Hourly Personnel,
Project Support Staff, and Tech/Admin Support) charged to MIT Research Off-campus
accounts, including Lincoln Laboratory.

SECTION II - GENERAL TERMS AND CONDITIONS

A. LIMITATIONS: Use of the rates set forth under Section I is subject to availability of funds
and to any other statutory or administrative limitations. The rates are applicable to a given
grant, contract or other agreement only to the extent that funds are available and consistent with
any and all limitations of cost clauses or provisions, if any, contained therein. Acceptance of
any or all of the rates agreed to herein is predicated upon the following conditions: (1) that no
costs other than those incurred by the institution were included in this indirect cost pool as
finally accepted and that such costs are legal obligations of the institution 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 institution 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 written approval of the authorized representative of the
cognizant agency for indirect costs. 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. FIXED RATES WITH CARRY-FORWARD PROVISIONS: The fixed rates contained
in this agreement are based on estimates of the costs for FY 2022. When actual costs for this
fiscal year are determined, adjustments will be applied to a rate negotiation for a subsequent
fiscal year to recognize the difference between the FY 2022 estimated costs used to establish the
fixed rates and the negotiated actual FY 2022 costs.

D. CARRY FORWARD AMOUNTS: The following carry-forward amounts were included
in the establishment of the FY 2022 rates:
( ) Represents over-recovery

<table>
<thead>
<tr>
<th>FY 2022</th>
<th>MIT Under/(Over) Recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On Campus</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td></td>
</tr>
<tr>
<td>FY 2020 Est</td>
<td>$2,029,000</td>
</tr>
<tr>
<td>Vacation Leave</td>
<td></td>
</tr>
<tr>
<td>FY 2020 Est</td>
<td>$682,000</td>
</tr>
</tbody>
</table>

E. **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 Part 200. Accordingly, such rates shall be applied to the extent provided in such regulations to grants, contracts, and other agreements to which 2 CFR Part 200 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 to provide such agencies with documentary notice of this agreement and its terms and conditions.

F. **SPECIAL REMARKS**:  

1. Off Campus rates are used when the preponderance of effort is performed at Lincoln Laboratory, Haystack Observatory or other off-site locations.

2. The Government’s agreement with the rates set forth in Section I is not an acceptance of the Massachusetts Institute of Technology’s accounting practices or methodologies. Any reliance by the Government on cost data or methodologies submitted by Massachusetts Institute of Technology is on a non-precedence-setting basis and does not imply Government acceptance.

Accepted:
FOR MASSACHUSETTS INSTITUTE OF TECHNOLOGY:

Maria T. Zuber  
Vice President for Research  
06/30/2021

FOR THE U.S. GOVERNMENT:

Linda Morgan Wood  
Contracting Officer  
6/30/2021

For information concerning this agreement contact:
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Phone: (703) 588-2254  
E-mail: linda.m.wood@navy.mil

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