COLLEGES AND UNIVERSITIES RATE AGREEMENT

DATE: December 29, 1998
FILING REF.: The preceding Agreement was dated June 30, 1995

INSTITUTION:
University of Oregon-Eugene, OR
Oregon State System of Higher Education
Office of Administration
P.O. Box 488
Corvalis OR 97339-0488

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)

<table>
<thead>
<tr>
<th>TYPE</th>
<th>EFFECTIVE PERIOD</th>
<th>RATE(%)</th>
<th>LOCATIONS</th>
<th>APPLICABLE TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRED.</td>
<td>07/01/98 - 06/30/01</td>
<td>50.0</td>
<td>On-Campus</td>
<td>Organized Research</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/98 - 06/30/01</td>
<td>26.0</td>
<td>Off-Campus</td>
<td>Organized Research</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/98 - 06/30/01</td>
<td>55.0</td>
<td>On-Campus</td>
<td>(A)</td>
</tr>
<tr>
<td>PRED.</td>
<td>07/01/98 - 06/30/01</td>
<td>33.0</td>
<td>On-Campus</td>
<td>(B)</td>
</tr>
<tr>
<td>PROV.</td>
<td>07/01/01 - UNTIL AMENDED</td>
<td>Use same rates and conditions as those cited for fiscal year ending June 30, 2001.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(A) Sponsored Instruction
(B) Sponsored Public Service

*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, 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.
TREATMENT OF FRINGE BENEFITS:
This organization charges the actual cost of each fringe benefit direct to Federal projects. However, it uses a fringe benefit rate which is applied to salaries and wages in budgeting fringe benefit costs under project proposals. The fringe benefits listed below are treated as direct costs.

TREATMENT OF PAID ABSENCE:
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 for the costs of these paid absences are not made.

DEFINITION OF OFF-CAMPUS
All activities that are conducted in facilities that are not owned or operated by the University and for which charges of facilities, utilities, and/or janitorial services are direct expenditures. A project will also be considered off-campus if more than 50% of the project expenditures are for off-campus activity.

Projects may be either on-campus or off-campus during a given project period but not both during the same budget period.

DEFINITION OF EQUIPMENT
Equipment is defined as tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

The following fringe benefits are treated as direct costs:
FICA, RETIREMENT, MEDICAL/DENTAL/LIIFE INSURANCE, UNEMPLOYMENT, LONG-TERM DISABILITY, EMPLOYEE LIABILITY INSURANCE, WORKERS COMPENSATION, EXEC DEPARTMENT DIVISION & EMPL REL BOARD ASSESSMENT.
INSTITUTION:
University of Oregon-Eugene, OR
Oregon State System of Higher Education

AGREEMENT DATE: December 29, 1998

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 of Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, 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.

BY THE INSTITUTION:
University of Oregon-Eugene, OR
Oregon State System of Higher Education

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

BY THE COGNIZANT AGENCY
ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

(NAME)

(DIRECTOR, DIVISION OF COST ALLOCATION)

(TITLE)

(AGENCY)

(DATE) 2002

HHS REPRESENTATIVE: John Gallagher
Telephone: (415) 437-7820

(3)
### UNIVERSITY OF OREGON
### FACILITIES AND ADMINISTRATIVE COST RATES FOR THE PERIOD
### JULY 1, 1998 THROUGH JUNE 30, 2001

<table>
<thead>
<tr>
<th></th>
<th>RESEARCH</th>
<th>INSTRUCTION</th>
<th>SPONSORED PUBLIC SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On-Campus</td>
<td>Off-Campus</td>
<td>On-Campus</td>
</tr>
<tr>
<td>BUILDING</td>
<td>2.7%</td>
<td>3.6%</td>
<td>1.6%</td>
</tr>
<tr>
<td>EQUIPMENT</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.7%</td>
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<tr>
<td>INTEREST</td>
<td>15.3%</td>
<td>11.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>OPERATION &amp; MAINT</td>
<td>2.4%</td>
<td>13.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>LIBRARY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GENERAL ADMIN</td>
<td>6.2%</td>
<td>6.2%</td>
<td>6.2%</td>
</tr>
<tr>
<td>DEPT ADMIN</td>
<td>14.9%</td>
<td>12.7%</td>
<td>13.2%</td>
</tr>
<tr>
<td>SPON PROJ ADMIN</td>
<td>4.4%</td>
<td>4.9%</td>
<td>6.0%</td>
</tr>
<tr>
<td>STUDENT SERV ADMIN</td>
<td>0.5%</td>
<td>15.4%</td>
<td>0.2%</td>
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<tr>
<td>ADMIN COMPONENTS</td>
<td>26.0%</td>
<td>39.2%</td>
<td>26.0%</td>
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<tr>
<td>TOTAL</td>
<td>50.0%</td>
<td>55.0%</td>
<td></td>
</tr>
</tbody>
</table>

Administrative Components are capped at 26.0% in accordance with OMB A-21, dated July 26, 1993.

CONCUR:

(SIGNATURE)

Controller

TITLE

DATE 1/13/95