



NEGOTIATION AGREEMENT

INSTITUTION: LOUISIANA TECH UNIVERSITY
 RUSTON, LA 71272-0029

The Facilities and Administrative (F&A) rates contained herein are for use on grants, contracts and/or other agreements issued or awarded to Louisiana Tech University by all Federal Agencies of the United States of America, in accordance with the cost principles mandated by the Office of Management and Budget (OMB) Circular A-21. The F&A rates shall be used for forward pricing and billing purposes for Louisiana Tech University's Fiscal Years 2007, 2008 and 2009. This rate agreement supersedes all previous rate agreements/determinations for Fiscal Years 2007, 2008 and 2009.

SECTION I: RATES - TYPE: PREDETERMINED (PRED)

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>LOCATION</u>	<u>BASE</u>	<u>ACTIVITY</u>
<u>Facilities & Administrative Rate:</u>						
Pred.	7/1/06	6/30/09	54.14%	On-Campus	(a)	All Programs
Pred.	7/1/06	6/30/09	23.05%	Off-Campus	(a)	All Programs

DISTRIBUTION BASE

(a) Direct Salaries and wages including vacation, holiday, sick pay and other paid absences, but excluding all other fringe benefits.

SECTION II - GENERAL TERMS AND CONDITIONS

A. **LIMITATIONS:** Use of the rates set forth under Section I of this agreement is expressly subject to any statutory or administrative limitations and is 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 all the following conditions: (1) that no costs other than those incurred by the grantee/contractor were included in its indirect cost pool as finally accepted and that all such costs are legal obligations of the grantee/contractor 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, in like circumstances, have been accorded consistent accounting treatment; and (4) that the information provided by the contractor/grantee, which was used as the basis for the acceptance of the rates agreed to herein and expressly relied upon by the

Government in negotiating the said rates, is not subsequently found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: The predetermined rates contained in Section I of this agreement are based on the accounting system in effect at the time this agreement was negotiated. Changes to the method(s) of accounting for costs, which affects the amount of reimbursement resulting from the use of these rates, require the written approval of the authorized representative of the cognizant negotiating agency for the Government prior to implementation of any such changes. 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.

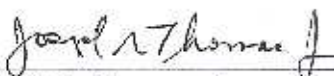
C. PREDETERMINED RATES: The predetermined rates contained in this agreement are not subject to adjustment in accordance with the provisions of OMB Circular A-21, subject to the limitations contained in Part A of this section.

D. USE BY OTHER FEDERAL AGENCIES: The rates set forth in Section I hereof were negotiated in accordance with and under the authority set forth in OMB Circular A-21. Accordingly, such rates shall be applied to the extent provided in such circular to grants and contracts to which OMB Circular A-21 is applicable, subject to any limitations in part A of this section. Copies of this document may be provided by either party to other Federal agencies which have or intend to issue or award grants and contracts using these rates or to otherwise provide such agencies with documentary notice of this agreement and its terms and conditions.

E. SPECIAL REMARKS: The purpose of this agreement is to establish F&A rates for the period of 1 July 2006 through 30 June 2009. These rates are based on Louisiana Tech University's proposal dated 24 March 2006. The Government's agreement to the rates in Section I, based on the accounting systems and allocation methodologies in effect at the time this agreement was negotiated, does not represent an agreement that these systems and methodologies are accepted for FY's 2007, 2008, and 2009, or any subsequent fiscal year's rate negotiations.

FOR LOUISIANA TECH UNIVERSITY:

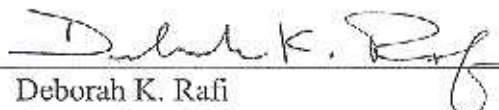
FOR THE GOVERNMENT:



Joseph R. Thomas, Jr.
Vice President and Controller

12/11/06

Date



Deborah K. Rafi
Contracting Officer

12/11/06

Date

*For information concerning
this agreement contact:*

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