



NORTH CAROLINA AGRICULTURAL AND TECHNICAL  
STATE UNIVERSITY

VICE CHANCELLOR FOR  
BUSINESS & FINANCE

April 14, 2006

Mr. Darryl Mayes  
Director, Mid-Atlantic Field Officer  
Department of Health and Human Services  
Division of Cost Allocation  
Cohen Building - Room 1067  
330 Independence Avenue, S.W.  
Washington D.C. 20201

Dear Mr. Mayes:

Enclosed please find the Facilities and Administrative ("F&A") cost rate proposal and supporting data for North Carolina Agricultural and Technical State University fiscal year ("FY") ended June 30, 2005. The FY 2005 F&A cost submission is our base year and is intended to provide you with information to be used in establishing pre-determined billing rates for FY 2007 and beyond.

We appreciate the additional time you provided to us in order to complete the proposal. We look forward to discussing this document with you, and should you have questions, I can be reached at (336) 334-7587.

Very truly yours,

A handwritten signature in black ink, appearing to read "Willie T. Ellis, Jr.", written over a horizontal line.

Willie T. Ellis, Jr.  
Vice Chancellor for Business and Finance

WTE/PSH

Enclosures

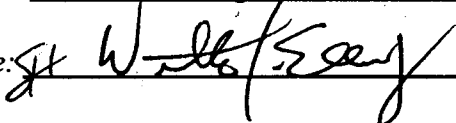
**GENERAL INFORMATION 10.(a)**  
**Certificate of F&A Costs**  
**North Carolina Agricultural and Technical State University**  
**FY 2005**

*This is to certify that to the best of my knowledge and belief:*

- 1. I have reviewed the F&A cost proposal submitted herewith.*
- 2. All costs included in this proposal dated June 30, 2005 to establish billing or pre-determined F&A cost rates for the fiscal year ended June 30, 2007 and beyond are allowable in accordance with the requirements of Federal agreement(s) to which they apply and with the cost principles applicable to those agreements; and*
- 3. This proposal does not include any costs which are unallowable under applicable cost principles such as (without limitation): advertising and public relations costs, contributions and donations, entertainment costs, fines and penalties, lobbying costs, and defense of fraud proceedings; and*
- 4. All costs included in this proposal are properly allocable to Federal agreements on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements.*

*I declare under penalty of perjury that the forgoing is true and correct.*

*Institution: North Carolina Agricultural and Technical State University*

*Signature: *

*Name of Official: Willie T. Ellis, Jr.*

*Title: Vice Chancellor for Business and Finance*

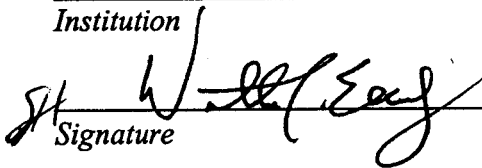
*Date of Execution: Friday, April 14, 2006*

**GENERAL INFORMATION 10.(b)**  
**Lobbying Certification**  
**North Carolina Agricultural and Technical State University**  
**FY 2005**

*This is to certify that to the best of my knowledge and belief that North Carolina A&T State University has complied with the requirements related to lobbying costs of OMB Circular A-21 Section J.28. for its Facilities and Administrative cost proposal for fiscal year 2005.*

*I declare under penalty of perjury that the foregoing is true and correct.*

North Carolina Agricultural and Technical State University  
Institution

  
Signature

Willie T. Ellis, Jr.  
Name of Official

Vice Chancellor for Business and Finance  
Title

April 14, 2006  
Date

**GENERAL INFORMATION 10.(d)**  
**Assurance Statement for Depreciation and Use Allowances**  
**North Carolina Agricultural and Technical State University**  
**FY 2005**

*This is to certify that to the best of my knowledge and belief for the period beginning July 1, 2004 and ending June 30, 2005 that North Carolina A&T State University has complied with the following requirements of OMB Circular A-21 Section J.14.h.*

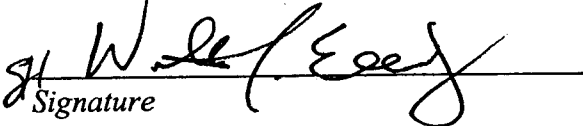
*The Institution has or will expend currently, or reserve for expenditure within the next five years, the portion of indirect cost payments made for depreciation or use allowances under sponsored research agreements, consistent with Section G.7., to acquire or improve research facilities. This provision applies only to Federal agreements which reimburse indirect costs at a full negotiated rate. These funds may only be used for (a) liquidation of the principal of debts incurred to acquire assets that are used directly for organized research activities, or (b) payments to acquire, repair renovate, or improve buildings or equipment directly used for organized research. For buildings or equipment not exclusively used for organized research activity, only appropriately proportionate amounts will be considered to have been expended for research facilities.*

*An assurance that an amount equal to the Federal reimbursements has been appropriately expended or reserved to acquire or improve research facilities has or will be submitted as part of each indirect cost proposal submitted to the cognizant Federal agency which is based on costs incurred on or after October 1, 1991. This assurance will cover the cumulative amounts of funds received and expended during the period beginning after the period covered by the previous assurances and ending with the fiscal year on which the proposal is based. The assurance shall also cover any amounts reserved from a prior period in which the funds received exceeded the amounts expended.*

*I declare under penalty of perjury that the foregoing is true and correct.*

North Carolina Agricultural and Technical State University

Institution of

  
Signature

Willie T. Ellis, Jr.

Name of Official

Vice Chancellor for Business and Finance

Title

April 14, 2006

Date

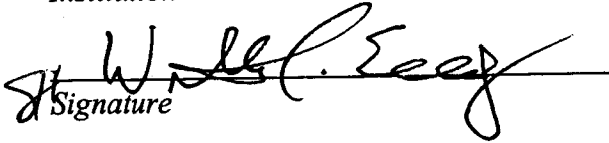
**GENERAL INFORMATION 10.(e)**  
**Assurance Statement for Federal Limitations on Compensation**  
**North Carolina Agricultural and Technical State University**  
**FY 2005**

*This is to certify that to the best of my knowledge and belief for the period beginning July 1, 2004 and ending June 30, 2005 that North Carolina A&T State University has complied with the federal requirements limiting the direct salaries charged to Federal projects.*

*In addition, the University's F&A cost proposal submission restricts Faculty and Professional staff, for reimbursement purposes, to 3.6% of MTDC, in line with the provisions of OMB Circular A-21 Section F.6.a.(2).(a).*

*I declare under penalty of perjury that the foregoing is true and correct.*

North Carolina Agricultural and Technical State University  
Institution

  
Signature

Willie T. Ellis, Jr.  
Name of Official

Vice Chancellor for Business and Finance  
Title

April 14, 2006  
Date

**GENERAL INFORMATION 10.(c)**  
**Non-Federal Award Procedures**  
**North Carolina Agricultural and Technical State University**  
**FY 2005**

**RE: Procedures used by North Carolina Agricultural and Technical State University to ensure that awards issued by the Federal Government do not subsidize the F&A costs allocable to awards made by non-Federal sources (e.g., industry, foreign governments)**

*Base costs of non-federal awards are screened in the same manner as awards issued by the Federal Government and included in the appropriate MTDC bases for computing the fiscal year 2005 F&A cost rate.*

*I declare under penalty of perjury that the foregoing is true and correct.*

North Carolina Agricultural and Technical State University  
Institution

  
Signature

Willie T. Ellis, Jr.  
Name of Official

Vice Chancellor for Business and Finance  
Title

April 14, 2006  
Date

Part I—Summary Data Elements for F&A Proposal—Part A

Name of Institution: North Carolina Agricultural and Technical State University

Organization Number: *(Federal Use Only)*

Address: 1601 E. Market Street

Greensboro, NC 27411

- a. Cognizant Federal Agency Rate Setting: HHS      Audit: HHS
- b. Type of Institution: Private ( )      Public (x)
- c. Fiscal Year: July 1, 2004 – June 30, 2005
- d. Population      Students: 9730      Faculty: 804      Staff: 844
- e. Status of Disclosure Statement      Required to Submit (Y/N)? Yes

Due Dates:      Initial: June 30, 2006

Revised: September 30, 2006

Original Submitted Date: N/A

Effective Date of Revision: N/A

Approved ( ) Yes ( ) No      Date: \_\_\_\_\_

f. Most Current F&A Rates (i.e. final, predetermined, fixed) (Last three fiscal years)

Type of rate	Fiscal year covered	Date of rate agreement	On-campus organized research	Off-campus organized research
Pred.	2006	4-22-04	40	25
Pred.	2004; 2005	4-22-04	40	25
Pred.	2003	11-22-02	41	25

- g. Base year costs associated with new buildings placed into service within the last five years (i.e., base year and four preceding years) by major functions proposed (in thousands).

	Building	Instruction*	Organized Research	Other Sponsored Activities
Building Depreciation or Use Allowance	General Classroom – Crosby – Merrick Building	\$ 536,143	\$ 9,800	\$ 7,124
"	Center for Learning Technology	\$ 2,010		
"	New School Technology	\$ 131,256	\$ 3,317	\$ 177
"	Poultry Facility	\$ 1,199	\$ 21,084	
Interest Expense				
Operation and Maintenance				

- h. Dollar amounts by major functions proposed—Base Year (in thousands)

	Instruction*	Organized Research	Other Sponsored Activities
Salaries & Wages/Fringes:			
-Professional/Professorial	\$ 47,714,071	\$ 5,039,948	\$ 10,537,892
-Other Labor	2,553,567	27,130	36,859
Non-labor Costs	<u>3,576,590</u>	<u>2,134,969</u>	<u>4,774,351</u>
Modified Total Direct Costs	\$ 53,844,277	\$ 7,202,047	\$ 15,349,201



i. Percentage of cost pool dollars allocated to major functions proposed—Base Year

Cost Pool Category	Instruction*	Organized Research	Other Sponsored Activities
Building Depreciation or Use Allowance	2.09%	1.52%	.44%
Equipment Depreciation or Use Allowance	.65%	1.45%	.42%
Interest Expense	0.00%	0.00%	0.00%
Operation and Maintenance	15.40%	11.25%	9.30%
Library	12.33%	2.46%	.52%

j. Proposed methodology for library costs:

Standard Method: Yes

Special Study: No

k. Procedure for claiming fringe benefit costs:

Specific Identification: Yes

Negotiated Rate: No

Other (see attached): \_\_\_\_\_

Part I—Summary Data Elements for F&A Proposal—Part B

Name of Institution: North Carolina Agricultural and Technical State University

Base (or Data) Year: 07/01/04 to 6/30/05

BASE YEAR RATE CALCULATION SUMMARY BY MAJOR FUNCTION

[Dollars in thousands]

	Instruction *	Organized Research	OSA
<b>FACILITIES GROUP</b>			
Depreciation/Use Allowance			
--Buildings.....	<u>\$1,125,368</u>	<u>\$ 109,387</u>	<u>\$ 67,833</u>
	<u>2.09%</u>	<u>1.52%</u>	<u>0.45%</u>
--Equipment.....	<u>\$ 350,385</u>	<u>\$ 104,323</u>	<u>\$ 65,015</u>
	<u>.65%</u>	<u>1.45%</u>	<u>0.42%</u>
--Land Improvements.....	<u>                    </u>	<u>\$                    </u>	<u>\$                    </u>
Interest Expense.....	<u>                    </u>	<u>\$                    </u>	<u>\$                    </u>
Operations & Maintenance.....	<u>\$8,290,314</u>	<u>\$ 810,527</u>	<u>\$1,427,520</u>
	<u>15.40%</u>	<u>11.25%</u>	<u>9.30%</u>
Library.....	<u>\$6,639,887</u>	<u>\$ 176,901</u>	<u>\$ 79,322</u>
	<u>12.33%</u>	<u>2.46%</u>	<u>0.52%</u>

ADMINISTRATIVE GROUP			
General.....	<u>\$7,832,078</u> 14.55%	<u>\$ 1,047,596</u> 14.55%	<u>\$ 2,232,651</u> 14.55%
Departmental.....	<u>\$7,648,316</u> 14.20%	<u>\$ 1,126,028</u> 15.63%	<u>\$ 1,776,829</u> 11.58%
Sponsored Projects.....	<u>\$ 494,474</u> .92%	<u>\$ 704,600</u> 9.78%	<u>\$ 1,501,653</u> 9.78%
Student Services.....	<u>\$8,727,164</u> 16.21%	<u>\$</u>	<u>\$</u>
Adjustment to 26% Limitation.....	<u>19.88%</u>	<u>13.96%</u>	<u>9.91%</u>
MODIFIED TOTAL DIRECT COST AND F&A RATES			
On-Campus.....	<u>\$53,844,227</u> 100%	<u>\$ 7,202,047</u> 100%	<u>\$15,349,102</u> 100%
Off-Campus.....	<u>                    </u>	<u>                    </u>	<u>                    </u>
Other.....N/A.....	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total.....N/A.....	<u>                    </u>	<u>                    </u>	<u>                    </u>
COMPOSITION OF RATE BASE			
Federal Awards:			
On-Campus (negotiated rates).....	<u>\$ 640,701</u>	<u>\$ 5,985,672</u>	<u>\$ 84,149</u>
Off-Campus (negotiated rates).....	<u>                    </u>	<u>                    </u>	<u>                    </u>
Research Training Awards.....	<u>\$          0</u>	<u>\$ 12,272</u>	<u>\$          0</u>
Other Awards (not based on negotiated rates).....	<u>\$ 3,230,026</u>	<u>\$ 575,252</u>	<u>\$ 8,687,357</u>
Non-Federal Sources.....	<u>\$49,444,877</u>	<u>\$ 287,214</u>	<u>\$ 5,997,192</u>
Cost Sharing in Rate Base.....	<u>\$ 528,624</u>	<u>\$ 341,637</u>	<u>\$ 580,405</u>
Total.....	<u>\$53,844,227</u>	<u>\$ 7,202,047</u>	<u>\$15,349,102</u>
MISCELLANEOUS STATISTICS			
Cost Sharing in Rate Base.....	<u>\$ 528,624</u>	<u>\$ 341,637</u>	<u>\$ 580,405</u>
Assignable Square Feet (ASF) by Major Function.....	<u>503,483</u>	<u>49,224</u>	<u>86,695</u>
Percent of ASF Financed.....	<u>          %</u>	<u>          %</u>	<u>          %</u>

\*Instruction Base includes all instructional activities