



# United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

## State and Local Governments Indirect Cost Negotiation Agreement

**EIN:** 82-6000952

**Date:** 05/09/2022

**Organization:**

Idaho State Department of Agriculture  
2270 Old Penitentiary Road  
Boise, ID 83712

**Report Number:** 2022-0211

**Filing Ref.:**

Last Negotiation Agreement  
dated: 08/16/2021

The indirect cost rate contained herein is for use on grants, contracts, and other agreements with the Federal Government to which 2 CFR Part 200 applies subject to the limitations in Section II.A. of this agreement. The rate was negotiated by the U.S. Department of the Interior, Interior Business Center, and the subject organization in accordance with the authority contained in applicable regulations.

### Section I: Rate

Start Date	End Date	Rate Type	Name	Rate	Base	Location	Applicable To
07/01/2022	06/30/2023	Fixed Carryforward	Indirect	11.72 %	(A)	All	All Programs

**(A) Base:** Total direct costs, less capital expenditures and passthrough funds. Passthrough funds are normally defined as payments to participants, stipends to eligible recipients, or subawards, all of which normally require minimal administrative effort.

**Treatment of fringe benefits:** Fringe benefits applicable to direct salaries and wages are treated as direct costs; fringe benefits applicable to indirect salaries and wages are treated as indirect costs.

**Note:** Trustee and Benefit (T&B) payments for the following program cost account codes (PCAs) have been included in the direct cost base described above in order to calculate the indirect cost rate. The respective federal agencies have allowed this action because of significant involvement in the administration of the grants.

<u>PCA</u>	<u>Program</u>	<u>Funding Agency</u>
61147	Specialty Crop Block Grant – Farm Bill 18	USDA – Agricultural Marketing Service
61148	Specialty Crop Block Grant – Farm Bill 19	USDA – Agricultural Marketing Service
61149	Specialty Crop Block Grant – Farm Bill 20	USDA – Agricultural Marketing Service
61150	Specialty Crop Block Grant – Farm Bill 21	USDA – Agricultural Marketing Service
49213	USFS Invasive Plant Cost Share Grant	USDA – Forest Service
49215	USFS Greater Sage Grouse Habitat Grant	USDA – Forest Service

**Section II: General**

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- A. **Limitations:** Use of the rate(s) contained in this agreement is subject to any applicable statutory limitations. Acceptance of the rate(s) agreed to herein is predicated upon these conditions: (1) no costs other than those incurred by the subject organization were included in its indirect cost rate proposal, (2) all such costs are the legal obligations of the grantee/contractor, (3) similar types of costs have been accorded consistent treatment, and (4) the same costs that have been treated as indirect costs have not been claimed as direct costs (for example, supplies can be charged directly to a program or activity as long as these costs are not part of the supply costs included in the indirect cost pool for central administration).
- B. **Audit:** All costs (direct and indirect, federal and non-federal) are subject to audit. Adjustments to amounts resulting from audit of the cost allocation plan or indirect cost rate proposal upon which the negotiation of this agreement was based will be compensated for in a subsequent negotiation.
- C. **Changes:** The rate(s) contained in this agreement are based on the accounting system in effect at the time the proposal was submitted. Changes in the method of accounting for costs which affect the amount of reimbursement resulting from use of the rate(s) in this agreement may require the prior approval of the cognizant agency. Failure to obtain such approval may result in subsequent audit disallowance.
- D. **Rate Type:**
1. **Fixed Carryforward Rate:** The fixed carryforward rate is based on an estimate of the costs that will be incurred during the period for which the rate applies. When the actual costs for such period have been determined, an adjustment will be made to the rate for a future period, if necessary, to compensate for the difference between the costs used to establish the fixed rate and the actual costs.
  2. **Provisional/Final Rate:** Within six (6) months after year end, a final indirect cost rate proposal must be submitted based on actual costs. Billings and charges to contracts and grants 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 available 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.
  3. **Predetermined Rate:** A predetermined rate is an indirect cost rate applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.
- E. **Rate Extension:** Only final and predetermined rates may be eligible for consideration of rate extensions. Requests for rate extensions of a current rate will be reviewed on a case-by-case basis. If an extension is granted, the non-Federal entity may not request a rate review until the extension period ends. In the last year of a rate extension period, the non-Federal entity must submit a new rate proposal for the next fiscal period.
- F. **Agency Notification:** Copies of this document may be provided to other federal offices as a means of notifying them of the agreement contained herein.
- G. **Record Keeping:** Organizations must maintain accounting records that demonstrate that each type of cost has been treated consistently either as a direct cost or an indirect cost. Records pertaining to the costs of program administration, such as salaries, travel, and related costs, should be kept on an annual basis.
- H. **Reimbursement Ceilings:** Grantee/contractor program agreements providing for ceilings on indirect cost rates or reimbursement amounts are subject to the ceilings stipulated in the contract or grant agreements. If the ceiling rate is higher than the negotiated rate in Section I of this agreement, the negotiated rate will be used to determine the maximum allowable indirect cost.
- I. **Use of Other Rates:** If any federal programs are reimbursing indirect costs to this grantee/contractor by a measure other than the approved rate(s) in this agreement, the grantee/contractor should credit such costs to the

**Section II: General** (continued)

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affected programs, and the approved rate(s) should be used to identify the maximum amount of indirect cost allocable to these programs.

- J. **Central Service Costs:** If the proposed central service cost allocation plan for the same period has not been approved by that time, the indirect cost proposal may be prepared including an amount for central services that is based on the latest federally-approved central service cost allocation plan. The difference between these central service amounts and the amounts ultimately approved will be compensated for by an adjustment in a subsequent period.
- K. **Other:**
1. The purpose of an indirect cost rate is to facilitate the allocation and billing of indirect costs. Approval of the indirect cost rate does not mean that an organization can recover more than the actual costs of a particular program or activity.
  2. Programs received or initiated by the organization subsequent to the negotiation of this agreement are subject to the approved indirect cost rate(s) if the programs receive administrative support from the indirect cost pool. It should be noted that this could result in an adjustment to a future rate.
  3. Indirect cost proposals must be developed (and, when required, submitted) within six (6) months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant agency for indirect costs

**Section III: Acceptance**

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Listed below are the signatures of acceptance for this agreement:

By the State and Local Governments

By the Cognizant Federal Government Agency

Idaho State Department of Agriculture

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US Department of Agriculture - APHIS

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DocuSigned by:  
*Celia Gould*  
4EE71258C0CC4E8...

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DocuSigned by:  
*Craig Wills*  
B47DB1F4A5DB4BF...

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Signature

Signature

Celia Gould

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Craig Wills

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Name:

Name:

Director

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Division Chief

Indirect Cost & Contract Audit Division

Interior Business Center

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Title:

Title:

5/11/2022

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5/10/2022

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Date

Date

Negotiated by: Tony Pisarenko

Telephone: (916) 930-3812

Next Proposal Due Date: 12/31/2022