



UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer
Assistant Secretary for Administration
Washington, D.C. 20230

June 10, 2009

Mr. Matthew E. Menashes
Executive Director
National Estuarine Research Reserve Foundation
Hall of States, Suite 322
444 North Capitol Street NW
Washington, DC 20001

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Reference: Indirect Cost Negotiation Agreement

Dear Mr. Menashes:

Based on the Department's review, we are approving the requested indirect cost rate for the year ended July 31, 2008. Enclosed are two copies of the Indirect Cost Negotiation Agreement for signature by an authorized official of your organization.

Please return one signed copy of the agreement to our office and retain the other for your files. Since the plan does not become effective until the agreement is signed by a duly authorized representative of the organization, please give this matter your immediate attention.

A signed copy of the negotiated agreement should be mailed to the following address:

U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Office of Acquisition Management, Room H-6412
Attention: Mr. Gary W. Johnson
Washington, D.C. 20230

If you should have any questions, please contact me at 202 482-1679.

Sincerely,

Gary W. Johnson
Director, Grants Management Division
Office of Acquisition Management

Enclosures

INDIRECT COST NEGOTIATION AGREEMENT

ORGANIZATION: National Estuarine Research Reserve ~~Foundation~~ *Association*
Hall of States, Suite 322
444 North Capitol Street, NW
Washington, DC 20001

The indirect cost rate contained herein is for use on grants, contracts and cooperative agreements with the federal government to which OMB Circular A – 122, “*Cost Principles for Non-Profit Organizations*” applies, subject to the limitations contained in the Circular and in Section II, A below. The rate was negotiated by the above named organization and the U. S. Department of Commerce in accordance with the authority contained in applicable regulations.

SECTION I: RATES - FIXED RATE WITH CARRY FORWARD PROVISIONS

Period	Rate	Base	Applicable To
08/01/07-07/31/08	24.06%	MTDC	All Programs

SECTION II: GENERAL TERMS AND CONDITIONS

A. Limitations

Use of the rate contained in this agreement is subject to any statutory or administrative limitations and is applicable to a given grant, contract or cooperative 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 this negotiated rate is predicated on the following conditions:

- that no costs other than those incurred by the grantee’s allocation plan is included in this indirect cost pool as finally accepted and that such incurred costs are legal obligations of the grantee and allowable under the governing cost principles,
- that the same costs that have been treated as indirect costs have not been claimed as direct costs,
- that similar types of costs have been accorded consistent accounting treatment, and
- the information provided by the grantee which was used as a basis for acceptance of the rate agreed to herein is not subsequently found to be materially incomplete or inaccurate.

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B. Audit

Adjustments to amounts resulting from an 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 fixed rate contained in this agreement is based on the organizational structure and the accounting system in effect for the applicable fiscal year. Changes in the organizational structure or changes in the method of accounting for costs which affect the amount of reimbursement resulting from use of the rate in this agreement require the express and written approval of the authorized representative of the responsible negotiating agency. Failure on the part of the contractor or grantee to obtain such approval may result in subsequent cost disallowances.

D. Fixed Rates with Carry-forward Provisions

The fixed rate contained in this agreement is based on actual costs that were incurred during the period for which the rates apply.

E. Notification to Federal Agencies

Copies of this document may be provided by either party to other federal offices as a mean of notifying them of the agreement contained herein.

F. Special Remarks

Our review of the documentation provided, and the methodology used is in accordance with the appropriate cost principles and OMB Circular A-122, "*Cost Principles for Non-Profit Organizations*".

As a result of the test performed, we recommend a fixed rate with carry-forward provision of 24.06% for FY 2008, as requested by the entity.

Subject to restrictions outlined in specific grants, contracts and cooperative agreements, the entity, must apply a rate of 24.06% billing purposes in FY 2009.

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Acceptance of Indirect Cost Negotiation Agreement

FOR THE ORGANIZATION: National Estuarine Research Reserve ~~Foundation~~ Association

Matthew E. Menashes
Signature

6/12/09
Date

MATTHEW E. MENASHES
Print Name

EXECUTIVE DIRECTOR
Title

FOR THE GOVERNMENT:

Gary W. Johnson
Signature

6-10-09
Date

Gary W. Johnson
Director, Grants Management Division
Office of Acquisition Management