

NONPROFIT ORGANIZATION  
INDIRECT COST NEGOTIATION AGREEMENT

Arizona Trail Association  
738 N. 5<sup>th</sup> Avenue, Suite 201  
Tuscon, AZ 85705

The indirect cost rates contained herein are for use on contracts, grants, and cooperative agreements with the Federal Government to which 2 CFR Part 200 (formerly 2 CFR 225) applies, subject to the limitations contained in Section II (A) of this agreement. The rates were negotiated by Arizona Trail Association and the U.S. Department of Agriculture, Forest Service, in accordance with the authority contained in Appendix IV of the regulations.

SECTION I: Rates

<u>Type</u>	<u>From</u>	<u>To</u>	<u>Rate</u>	<u>Applicable to:</u>
Final	01/01/2017	to 12/31/2017	18.66%	All Programs
Predetermined	01/01/2020	to 12/31/2020	18.66%	All Programs
Predetermined	01/01/2021	to 12/31/2021	18.66%	All Programs

ALLOCATION BASE:

- A. MODIFIED TOTAL DIRECT COSTS: These include personnel expenses such as salaries and fringe benefits. Other expenses included were related to program services and fundraising.
- B. EXCLUSIONS: Capital expenditures and other distorting items, such as sub-awards for \$25,000 or more.

SECTION II: General

- A. LIMITATIONS: The rates in this agreement are subject to any statutory or administrative limitations and is applicable to a given grant or contract only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: 1) Indirect cost included in the indirect cost pool are incurred, finally accepted legal obligations of the organization and are allowable under the governing cost principles; 2) Costs treated as indirect costs have not been claimed as direct costs; 3) Similar types of costs have been accorded consistent accounting treatment; and 4) Information provided by the organization used to establish the rates is not subsequently 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. AUDIT: Adjustments to amounts resulting from an audit upon which the negotiation of the agreement was based will be compensated for in subsequent negotiation.
- C. CHANGES: If a fixed rate is contained in this agreement, it is based on the organization structure and accounting system in effect at the time the proposal was submitted. Changes in the organizational structure or changes in the method of accounting for costs which affect the reimbursement resulting from use of the rate in this agreement require the prior approval of the authorized representative of the responsible negotiation agency. Failure to obtain such approval may result in subsequent audit disallowances.
- D. PROVISIONAL AND FINAL RATES: Final rates should be finalized as soon as possible, preferably within six (6) months after year end, or, as applicable, when audited financial statements are available. 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 available funds to cover additional indirect costs, the organization may not recover all indirect costs incurred. Conversely, if the final rate is less than the provisional rate, the organization will be required to pay back the difference to the funding agencies.
- E. NOTIFICATION OF FEDERAL AGENCIES: Copies of this document may be provided to other Federal offices as a means of notifying them of the agreement contained herein.
- F. SPECIAL REMARKS: Subject to paragraph A. above, indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in this Agreement should be adjusted to the applicable rate cited herein and applied to the appropriate base to identify the proper amount of indirect costs allocable to the program. However, awards providing for indirect cost rate ceilings will be subject to the ceilings stipulated in the award, or the rates in this agreement, whichever are lower.

By the Nonprofit Agency

By the Responsible Federal Agency

Arizona Trail Association

USDA - Forest Service



*John Hernandez*

Signature

Signature

Anna Perreira

John Hernandez

Printed Name

Printed Name

Chief Financial Officer

Branch Chief, Resource Audit Branch

Title

Title

4/7/20

4/3/20

Date

Date

Negotiated by:  
Bobby Thompson, Auditor  
Resource Audit Branch  
505-563-7209  
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