



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
OFFICE OF ACQUISITION AND GRANTS

June 10, 2016

Mr. John Knox
Executive Director
Earth Island Institute
2150 Allston Way, Suite 460
Berkeley, CA 94704

Reference: Indirect Cost Negotiation Agreement

Dear Mr. Knox:

Based on the National Oceanic and Atmospheric Administration's review, we are approving an indirect cost rate for the year ended June 30, 2015. Subject to terms and conditions included in agreements underlying grants and contracts, and in cooperative agreements, the entity must use a rate no higher than 14.20% for billing purposes during the fiscal year ending June 30, 2016. 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:

National Oceanic and Atmospheric Administration
Grants Management Division
1325 East West Highway, 9th Floor
Silver Spring, MD 20910
Attn: Lamar Revis, Grants Officer

The agreement may also be emailed to lamar.revis@noaa.gov. A copy of this letter will be retained in your organization's official award file. If you have any questions, please email Mr. Revis. He can also be reached at 301.628.1308.

Sincerely,



Arlene Simpson Porter
Director, Grants Management Division

INDIRECT COST RATE AGREEMENT

DATE: May 20, 2016

ORGANIZATION:

Earth Island Institute
2150 Allston Way, Suite 460, Berkeley, CA 94704

The rate approved in this agreement is for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

RATE TYPES: FIXED FINAL PROVISIONAL PREDETERMINED

RATE – FIXED RATE WITH CARRY FORWARD PROVISION

EFFECTIVE PERIOD		REVIEW PERIOD		RATE (%)	BASE*	LOCATIONS	APPLICABLE TO
FROM	TO	FROM	TO				
7/1/2015	6/30/2016	1/01/2014	6/30/2015	14.20%	MTDC	All	All programs

*BASE: ICR base is Modified Total Direct Cost (MTDC) consisting of all FY 2015 actual direct cost including direct salaries, wages, all fringe benefits, and all other direct cost inclusive of all sub-grants/subcontracts up to the first \$25,000 of each sub-grant or subcontract. Equipment and capital expenditures in excess of \$25,000 are excluded from MTDC.

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS: Fringe benefits are specifically identified to each employee and are charged as direct or indirect costs in the same manner as salary and wages costs.

TREATMENT OF PAID ABSENCES: Vacation, holiday, sick leave pay, and holiday pay are considered part of salary costs. Vacation leave earned but not used during each fiscal period is recorded as a cost in the time earned.

SECTION III: GENERAL

A. LIMITATIONS: The rate in this Agreement is subject to any statutory or administrative limitations and apply to a given grant, contract, or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its indirect cost pool as finally accepted and that such costs are legal obligations of the organization and are allowable under the governing cost principles (2) The same costs that have been treated as indirect costs are not claimed as direct costs (3) Similar types of costs have been accorded consistent accounting treatment and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES: This Agreement is based on the accounting system purported by the Association to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. 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 approval may result in cost disallowances.

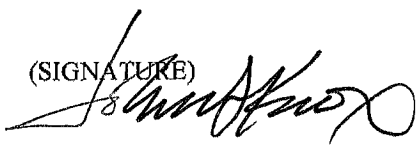
C. FIXED RATES: If a fixed rate is in this Agreement, it is based on actual cost for the review period. When the actual costs for the period to which the rate is applied, are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

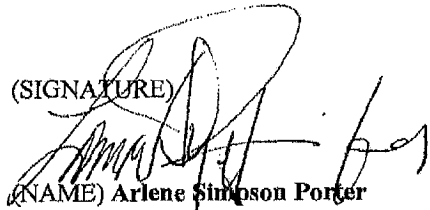
D. USE BY OTHER FEDERAL AGENCIES: The rate in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A - 122 and should be applied to grants, contracts, and other agreements covered by this Circular, subject to any limitations in A above. The awardee may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER: If any Federal contract, grant, or other agreement is reimbursing indirect costs by a means other than the approved rate in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

**FOR THE ORGANIZATION:
EARTH ISLAND INSTITUTE**

FOR THE GOVERNMENT:

(SIGNATURE)


(SIGNATURE)


(NAME) John Knox
Executive Director _____ (TITLE)
6/10/2016 _____ (DATE)

(NAME) Arlene Simpson Porter
Director Grants Management Division _____ (TITLE)
6/9/16 _____ (DATE)