



United States Department of the Interior
National Business Center
ACQUISITION SERVICES DIRECTORATE
Indirect Cost Services
2180 Harvard Street, Suite 430
Sacramento, CA 95815



October 19, 2010

Mr. David Rusenko, Vice President Finance and Administration
Academy of Natural Sciences of Philadelphia
1900 Benjamin Franklin Parkway
Philadelphia, Pennsylvania 19103-1101

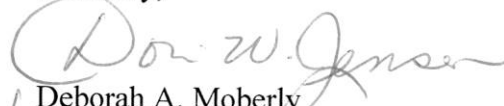
Dear Mr. Rusenko:

Enclosed is an original copy of the Indirect Cost Negotiation Agreement for the 12-month periods ending December 31, 2009, and 2011, between the Federal Government and the Academy of Natural Sciences of Philadelphia. These rates were negotiated for the National Science Foundation, by the U.S. Department of the Interior, National Business Center.

Please visit our Web site at <http://www.aqd.nbc.gov/ics> for guidance and updates on submitting indirect cost proposals. In addition, you will find helpful tools such as a completeness checklist, indirect cost and lobbying certificates, sample proposals, Excel worksheet templates, and important links to other Web sites.

If you have any questions regarding this agreement, please write or call Ms. Maria Nua, Program Analyst, at (916) 566-7111.

Sincerely,


Deborah A. Moberly
Indirect Cost Coordinator

Enclosure

cc: Tamara Bowman, Team Lead for Award Monitoring & Business Assistance, NSF

Ref: J:Contracts/NSF/ACNS353/Issue.ltr

We want to hear from you! Please let us know how we are doing in meeting your needs by taking a short survey at: <http://www.aqd.nbc.gov/survey>.

**Nonprofit Organization
Indirect Cost Negotiation Agreement**

EIN: 23-1352000

Organization:

Date: October 19, 2010

Academy of Natural Sciences
of Philadelphia
1900 Benjamin Franklin Parkway
Philadelphia, Pennsylvania 19103-1101

**Report No(s) : 11-A-0082(09F)
11-A-0083(11P)**

Filing Ref.:
Last Negotiation Agreement
dated June 21, 2010

The indirect cost rates contained herein are for use on grants, contracts, and other agreements with the Federal Government to which 2 CFR 230 (OMB Circular A-122) applies, subject to the limitations in Section II.A. of this agreement. The rates are negotiated by the U.S. Department of the Interior, National Business Center, and the subject organization in accordance with the authority contained in 2 CFR 230.

Section I: Rates

Type	Effective Period		Rate*	Locations	Applicable To
	From	To			
Final	01/01/09	12/31/09	69.00%*	Research	On-Site
Final	01/01/09	12/31/09	40.00%**	Research	Off-Site
Maximum Provisional	01/01/11	12/31/11	72.58%*	Research	On-Site
Maximum Provisional	01/01/11	12/31/11	42.38%**	Research	Off-Site

***Base:** Total direct costs, less capital expenditures, participant support and the portion of subawards in excess of \$25,000.

****Base:** Total direct costs excluding On-Site facility and depreciation, less capital expenditures, participant support and the portion of the subawards in excess of \$25,000.

Maximum Provisional rates are ceiling rates that are not subject to upward adjustment. However, maximum provisional rates are subject to downward adjustment when final rates are lower than the awarded maximum provisional rates.

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.

Treatment of paid absences: Vacation, holiday, sick leave, and other paid absences are included in salaries and wages and are claimed on grants, contracts, and other agreements as part of the normal cost for the salaries and wages. Separate claims for the costs of these paid absences are not made.

A. Limitations: Use of the rates contained in this agreement is subject to any applicable statutory limitations. Acceptance of the rates 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 rates contained in this agreement are based on the organizational structure and the accounting system in effect at the time the proposal was submitted. Changes in 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 prior approval of the responsible negotiation agency. Failure to obtain such approval may result in subsequent audit disallowance.

D. Provisional/Final Rates: Within 6 months after year end, a final rate 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.

E. Agency Notification: Copies of this document may be provided to other federal offices as a means of notifying them of the agreement contained herein.

F. 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.

G. 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.

H. Use of Other Rates: If any federal programs are reimbursing indirect costs to this grantee/contractor by a measure other than the approved rates in this agreement, the grantee/contractor should credit such costs to the affected programs, and the approved rate should be used to identify the maximum amount of indirect cost allocable to these programs.

I. Central Service Costs: Where central service costs are estimated for the calculation of indirect cost rates, adjustments will be made to reflect the difference between provisional and final amounts.

J. 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 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. This negotiation agreement is entered into under the terms of an Interagency Agreement between the U.S. Department of the Interior and the National Science Foundation. No presumption of federal cognizance over audits or indirect cost negotiations arises as a result of this Agreement.
4. New indirect cost proposals are necessary to obtain approved indirect cost rates for future fiscal or calendar years. The proposals are due in our office 6 months prior to the beginning of the year to which the proposed rates will apply.

Section III: Acceptance

Listed below are the signatures of acceptance for this agreement:

By the Nonprofit Organization:

Academy of Natural Sciences of Philadelphia
Grantee/Contractor

 /s/

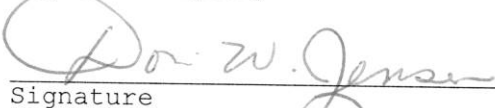
DAVID RUSENKO
Name (Type or Print)

VP FINANCE & ADMINISTRATION
Title

10/14/10
Date

For the Cognizant Federal Government Agency:

National Science Foundation
Cognizant Agency

 /s/

Deborah A. Moberly
Name

Indirect Cost Coordinator
Indirect Cost Services
Title

U.S. Department of the Interior
National Business Center
Negotiating Agency

Date **October 19, 2010**
Negotiated by Wayne P. Guanzon
Telephone (916) 566-7111