

THE  
NAVAJO  
NATION

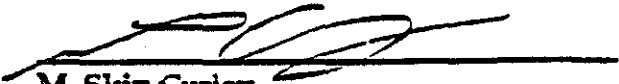
P. O. BOX 9000 • WINDOW ROCK, ARIZONA 86515 • (602) 871-

ALBERT A. HALE  
PRESIDENT

April 11, 1995

1995 APR  
Received  
Office of Management & Budget  
Window Rock, AZ  
THOMAS E. ATCI  
VICE PRESIDENT

M E M O R A N D U M:

- To : ALL DIVISION AND PROGRAM DIRECTORS
- From :   
M. Skip Curley  
Contracting Officer  
Office of Contracts and Grants
- Subject : Indirect Cost Negotiation Agreement

Attached is the FY'95 approved Indirect Cost Agreement for the Navajo Nation for the period April 01, 1994 to March 31, 1995. For all FY'95 contracts and grants now having an indirect cost rate different than that shown on the attachment, I have requested the funding agencies to provide a modification to reflect the approved rate of 18.5%. Programs that have obtained a Waiver of Indirect Cost for FY'95, from the Intergovernmental Relations Committee of the Navajo Nation, will not be affected by this rate change.

Effective April 01, 1995, the rate of 18.5% will be used as a provisional rate for all FY'96 contracts and grants until such time an approved rate has been negotiated with the Office of the Inspector General. Should you have any questions, please contact my office at extension 6470.

MSC/nrc  
Attachments:

- xc Bobby J. White, Controller, Division of Finance
- Erie T. Vimmerstedt, Assistant Controller, Division of Finance
- Lillie K. Roanhorse, Executive Director, Office of Management & Budget
- Dorothy Smith, Accounting Manager, Division of Finance
- Pearl Lee, "Acting" Accounting Manager, Division of Finance
- Chrono/File

**INDIAN ORGANIZATIONS  
INDIRECT COST NEGOTIATION AGREEMENT**

**ORGANIZATION:**

The Navajo Nation  
Financial Services Department  
P.O. Box 3150  
Window Rock, Arizona 86515

**DATE:** April 3, 1995

**REPORT NO(s):** 95-P-751

**FILING REF.:** This replaces the  
Negotiation Agreements dated  
August 24, 1992, and  
July 9, 1993.

The indirect cost rates contained herein are for use on grants and contracts with the Federal Government to which Public Law 93-638 and Office of Management and Budget Circular A-27 apply, subject to the limitations contained in 25 CFR Chapter 1, subchapter M, and in Section II.A. of this agreement. The rate(s) were negotiated by the U.S. Department of the Interior, Office of Inspector General, and the subject organization, in accordance with the authority contained in the Circular.

**SECTION I: RATES**

Page 1 of

Type	Effective Period		Rate*	Locations	Applicable
	From	To			To
Fixed Carryforward	4/1/92	3/31/93	13.63%	All	All Programs
Fixed Carryforward	4/1/93	3/31/94	18.21%	All	All Programs
Fixed Carryforward	4/1/94	3/31/95	18.5%	All	All Programs

\*Base: Total direct costs, less capital expenditures and passthrough funds. Passthrough funds are normally defined as major subcontracts (\$5,000 or more payments to participants, stipends to eligible recipients, and subgrants, which normally require minimal administrative effort. Note: Subcontracts under \$5,000 are considered minor and should be included in the direct cost base.

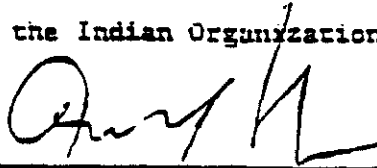
**Treatment of fringe benefits:** Fringe benefits applicable to direct salaries and wages are treated as direct costs; fringe benefits applicable to indirect salaries and wages are treated as indirect costs.

**SECTION II: GENERAL**

**A. LIMITATIONS:** Use of the rates contained in this agreement is subject to applicable statutory limitations. Acceptance of the rates agreed to herein is predicated upon the conditions that: (1) no costs other than those incurred by the grantee/contractor were included in its indirect cost rate proposal and if such costs are legal obligations of the grantee/contractor, (2) the same costs that have been treated as indirect costs have not been claimed as direct costs; (3) similar types of costs have been accorded consistent treatment; (4) information provided by the grantee/contractor 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(s) would be subject to renegotiation at the discretion of the Federal Government.

Listed below are the signatures of acceptance for this agreement:

By the Indian Organization:



Albert Hale  
Name  
President, The Navajo Nation  
Title  
March 30, 1995  
Date

By the Cognizant Federal Government Agency:



W. Michael Keefe  
Name  
Regional Audit Supervisor  
Western Region  
Title  
U.S. Department of the Interior  
Office of Inspector General  
Agency  
Date April 3, 1995  
Negotiated by David S. Allmuth  
Telephone (916) 979-2700