

**Tribal Organization
Indirect Cost Rate Proposal
For The Year Ending September 30, 2008**

Note: This is an example of the of the current 'Fixed with Carryforward' template.

FY 2008 Carryforward Computation

Program	FY 2008 Actual Direct Costs	% of Total	FY 2008 Indirect Cost Pool	Indirect Rate at 9.50%	Indirect Costs Collection	Shortfall	Carryforward
BIA (638)	\$585,369	12.75%	\$53,479	\$55,610	\$58,845	\$0	-5,366
BIA (100-297)	228,320	4.97%	20,846	21,690	1/		
IHS (638)	487,955	10.63%	44,586	46,356	40,288	4,298	0
HHS (Non-638)	218,744	4.76%	19,965	20,781	15,877	4,088	0
EPA	202,847	4.42%	18,539	19,270	19,270	0	-731
Agriculture	86,185	1.88%	7,885	8,188	8,188	0	-303
Education	4,000	0.09%	377	380	380	0	-3
Justice	46,425	1.01%	4,236	4,410	0	4,236	0
Commerce	83,740	1.82%	7,634	7,955	7,250	384	0
State	65,845	1.43%	5,998	6,255	5,789	209	0
Tribal	<u>2,581,948</u>	56.23%	235,851	245,285	2/		
Totals	<u>\$4,591,378</u>	<u>100.00%</u>	<u>\$419,440</u>	<u>\$436,180</u>	<u>\$155,887</u>	<u>\$13,216</u>	<u>-\$6,402</u>

1/ Over or underrecovery from BIA is not included in the carryforward computation according to Public Law 100-297 Section 1128A, (d) (3): "Funds received as grants under this section for Bureau funded programs operated by a tribe or tribal organization under a contract or agreement shall not be taken into consideration for purposes of indirect cost underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived."

2/ Over or underrecovery from Tribal accounts is internal and therefore not included in the carryforward computation.

3/ The reported FY 2008 indirect costs of \$419,440 was adjusted to include the previously negotiated FY 2006 underrecovery carryforward to FY 2008 of \$8,457.

4/ Program shortfalls should be reported to the respective granting agencies.

Note: The amounts shown as Indirect Costs Collections are based on the Tribe's audited financial statements.

Example of Revised Fixed with Carryforward Schedule

**Tribal Organization
Indirect Cost Rate Proposal
For The Year Ending September 30, 2008
FY 2008 Carryforward Computation**

Note: This is an example of the 'Fixed with Carryforward' template with the agreed upon changes.

Program	FY 2008 Actual Direct Costs	% of Total	FY 2008 Indirect Cost Pool	Indirect Rate at 9.50%	Indirect Costs Recovered/Collected	Underfunded Indirect	Overfunded Indirect	Carryforward
BIA (638)	\$585,369	12.75%	\$53,479	\$55,610	\$58,845	\$0	3,235	-2,131
BIA (100-297)	228,320	4.97%	20,846	21,690	1/			
IHS (638)	487,955	10.63%	44,586	46,356	40,288	4,298	0	0
HHS (Non-638)	218,744	4.76%	19,965	20,781	15,877	4,088	0	0
EPA	202,847	4.42%	18,539	19,270	19,270	0	0	-731
Agriculture	86,185	1.88%	7,885	8,188	8,188	0	0	-303
Education	4,000	0.09%	377	380	380	0	0	-3
Justice	46,425	1.01%	4,236	4,410	0	4,236	0	0
Commerce	83,740	1.82%	7,634	7,955	7,250	384	0	0
State	65,845	1.43%	5,998	6,255	5,789	209	0	0
Tribal	<u>2,581,948</u>	<u>56.23%</u>	<u>235,851</u>	<u>245,285</u>	<u>2/</u>			
Totals	<u><u>\$4,591,378</u></u>	<u><u>100.00%</u></u>	<u><u>\$419,440</u></u>	<u><u>\$436,180</u></u>	<u><u>\$155,887</u></u>	<u><u>\$13,216</u></u>	<u><u>\$3,235</u></u>	<u><u>-\$3,167</u></u>
			3/		4/	5/		

1/ Over or underrecovery from BIA is not included in the carryforward computation according to Public Law 100-297 Section 1128A, (d) (3): "Funds received as grants under this section for Bureau funded programs operated by a tribe or tribal organization under a contract or agreement shall not be taken into consideration for purposes of indirect cost underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived."

2/ Over or underrecovery from Tribal accounts is internal and therefore not included in the carryforward computation.

3/ The reported FY 2008 indirect costs of \$419,440 was adjusted to include the previously negotiated FY 2006 underrecovery carryforward to FY 2008 of \$8,457.

4/The amount of "Indirect Cost Collection" need not include direct funds (including direct program funds, direct CSC, or indirect CSC funds lawfully redirected to pay for unfunded direct CSC), private funds, or tribal funds diverted to pay indirect costs in the pool, provided that the amount listed is consistent with the tribal contractors' audited financial statements or post-audit statements, pursuant to Section III.B.1(a) and (b) of PSA III.

5/ Underfunded indirect should be reported to the respective granting agencies. Underfunded amounts may be, but are not necessarily, due to shortfalls in appropriations. The presense of an amount in either of these columns does not constitute a determination or admission that either the government or the contractor is liable to the other for any amount.

Note: The amounts shown as Indirect Costs Collections are based on the Tribe's audited financial statements.

Illustration of the Agreed Upon Changes to the Fixed with Carryforward Schedule

Note: The schedule below illustrates the affects that the agreed upon changes to the 'Fixed with Carryforward' schedule will have on the treatment of overrecoveries. As highlighted, the changes affect five overrecovery situations. Over recoveries will not be carried forward when indirect costs recovered (Column F) are in excess of the indirect cost rate generated amount (Column E). Overrecoveries will only be carried forward when the rate generated amount (Column E) exceed the pool amount (Column D).

Programs	FY 2001	%	Indirect	Indirect	Indirect	Under	Over	Carryforward	Current	Affected
	Actual Direct	of	Cost	Rate @	Costs					
	Costs	Total	Pool	Recovered/Collected	Recovered/Collected					Situations
			D	E	F					
			\$90	\$90	\$90	\$0	\$0	\$0	0	
			90	90	100	0	10	0	-10	1
			90	90	150	0	60	0	-60	2
			90	100	90	0	0	0	0	
			90	100	100	0	0	-10	-10	
			90	100	150	0	50	-10	-60	3
			90	150	90	0	0	0	0	
			90	150	100	0	0	-10	-10	
			90	150	150	0	0	-60	-60	
			100	90	90	0	0	10	10	
			100	90	100	0	0	0	0	
			100	90	150	0	50	0	-50	4
			100	100	90	10	0	0	0	
			100	100	100	0	0	0	0	
			100	100	150	0	50	0	-50	5
			100	150	90	10	0	0	0	
			100	150	100	0	0	0	0	
			100	150	150	0	0	-50	-50	
			150	90	90	0	0	60	60	
			150	90	100	0	0	50	50	
			150	90	150	0	0	0	0	
			150	100	90	10	0	50	50	
			150	100	100	0	0	50	50	
			150	100	150	0	0	0	0	
			150	150	90	60	0	0	0	
			150	150	100	50	0	0	0	
			150	150	150	0	0	0	0	
Total						\$140	\$220	\$80	-\$140	

1/

1/ Underpayments should be reported to the Funding Agency. Under funded amounts may be, but are not necessarily, due to shortfalls in appropriations. The presence of an amount in either the under-funded column or the over-funded column does not constitute a determination or admission that either the government or the contractor is liable to the other for any amount.

Electronic Versions of Exhibits 1, 2 & 3 to Appendix B

Carryforward Template Revisions

Electronic Version of Exhibit 1 to Appendix B:

The electronic form of the document appended as Exhibit 1 to Appendix B to the Third Partial Settlement Agreement Settling all Claims for Equitable Relief is an Excel spreadsheet containing the underlying formulas which generate the hard copy of Exhibit 1 as attached to Appendix B. That electronic version of Exhibit 1 is on a CD-ROM which has been filed with the Clerk. That spreadsheet contains the existing single-rate carryforward template used by NBC.

Electronic Version of Exhibit 2 to Appendix B:

The electronic form of the document appended as Exhibit 2 to Appendix B to the Third Partial Settlement Agreement Settling all Claims for Equitable Relief is an Excel spreadsheet containing the underlying formulas which generate the hard copy of Exhibit 2 as attached to Appendix B. That electronic version of Exhibit 2 is on a CD-ROM which has been filed with the Clerk. That spreadsheet contains the modified single-rate carryforward template implementing the agreed-upon changes.

Electronic Version of Exhibit 3 to Appendix B:

The electronic form of the document appended as Exhibit 3 to Appendix B to the Third Partial Settlement Agreement Settling all Claims for Equitable Relief is an Excel spreadsheet containing the underlying formulas which generate the hard copy of Exhibit 3 as attached to Appendix B. That electronic version of Exhibit 3 is on a CD-ROM which has been filed with the Clerk. That spreadsheet illustrates the results of the agreed-upon changes to the treatment of over-recoveries in the carry forward process, considering all possible variations in the relative amounts of the indirect cost incurred, the Rate x Base amount and the indirect cost recovered amount in a given year.