

EXHIBIT K

1995
Indirect
Cost

TRIBAL ORGANIZATION
INDIRECT COST NEGOTIATION AGREEMENT
95-P-327

ORGANIZATION:

DATE: DEC 27 1995

Menominee Indian Tribe of Wisconsin
Post Office Box 910
Keshena, Wisconsin 54135-0910

FILING REF.: This replaces the
Negotiation Agreement dated
March 2, 1994.

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-87 apply, subject to the limitations contained in Title 25 of the Code of Federal Regulations, Chapter I, subchapter M, and in Section II A below. The rates were negotiated by the U.S. Department of the Interior Office of Inspector General (External Audits) and the subject organization in accordance with the authority contained in the Circular.

SECTION I: RATES

<u>Type</u>	<u>Effective Period</u>		<u>Rate</u>	<u>Locations</u>	<u>Applicable to</u>
	<u>From</u>	<u>To</u>			
Fixed with Carryforward	10/1/94	9/30/95	13.8% ¹	All	All Programs

¹ The base is total direct costs and applies to all programs administered by the Tribe but excludes capital expenditures and pass-through funds.

Fringe benefits related to indirect salaries and wages are treated as indirect costs. Fringe benefits applicable to direct salaries and wages are treated as direct costs.

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TRIBAL CLINIC

SECTION II: GENERAL

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 the conditions that (1) no costs other than those incurred by the grantee/contractor were included in its indirect cost rate proposal and that 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, and (3) similar types of costs have been accorded consistent treatment.

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:** 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 the organizational structure or in the method of accounting for costs that affect the amount of reimbursement resulting from the use of the rates 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/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 funds are not available to cover the additional indirect costs, the Tribe may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the Tribe will be required to pay the difference to the funding agency.

E. **FIXED CARRYFORWARD RATES:** Fixed carryforward rates are based on an estimate of the costs that will be incurred during the period for which the rates apply. When the actual costs for the period have been determined, an adjustment will be made to compensate for the difference between the costs used to establish the fixed rate and the actual costs.

F. **NOTIFICATION TO FEDERAL AGENCIES:** Copies of this document may be provided to other Federal offices as a means of notifying them of the agreement contained herein.

SECTION II: GENERAL

G. RECORD KEEPING: Organizations must maintain accounting records that demonstrate that each item of cost has been treated consistently either as a direct 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. If an organization is unable to document the program allocation of a Tribal government, only 50 percent of Tribal government costs will be included in the indirect cost pool.

H. 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. Costs treated and claimed as direct costs of a program or activity cannot also be treated as indirect 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 pool for central administration.

2. Federal programs currently reimbursing indirect costs to this grantee/contractor by means other than the rates cited in the agreement should be credited for such costs and the applicable rates cited herein be applied to the appropriated base to identify the proper amount of indirect costs allocable to the programs.

3. Contracts/grants that provide for a ceiling on the indirect cost rates or the amounts indicated in Section I above will be subject to the ceilings stipulated in the contract or grant agreements. In the event the ceiling rate cited is higher than the negotiated rate, the negotiated rate will be used to determine the maximum allowable indirect cost.

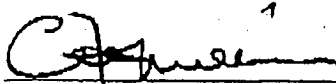
4. Programs received by the Tribe or initiated subsequent to the negotiation of this agreement are subject to the approved indirect cost rate if the programs receive administrative support from the indirect cost pool. It should be noted that this may result in an adjustment to a future rate.

5. A new indirect cost proposal is necessary to obtain an approved indirect cost rate for the next fiscal year. The proposal is due in our office within 6 months after the close of the fiscal year and may be based on actual costs or budgetary data or on a combination thereof.

SECTION III: ACCEPTANCE

Listed below are the signatures of acceptance of this agreement:

By the Organization

 /s/
Signature

Glen Miller
Typed or Printed Name

Chairman
Title

Menominee Indian Tribe of Wisconsin
Organization

12/21/94
Date

By the Responsible Agency for the Federal Government

 /s/
Signature

Charles Moses
Typed Name

Assistant Director, External Audits
Title

Office of Inspector General
U.S. Department of the Interior
Agency

DEC 27 1994
Date

Negotiated by Greg Raile
Telephone (703) 235-3061