SAMPLE LANGUAGE TO REQUEST THE DE MINIMIS INDIRECT COST RATE

Please prepare the request on your entity’s letter head and submit to your NIFA Awards Management Division - Administrative Point of Contact or mailbox: awards@usda.gov.

[Date]

[Entity’s name]
[Entity’s address]

Ref: NIFA 14-digit Award Number or Proposal Number

I certify that ____________________________ (name of entity receiving USDA NIFA award) elects to use 10% de minimis rate and meets the following eligibility criteria to use the 10% de minimis indirect cost rate (2 CFR § 200.414):

1. The award recipient does not have a current federally negotiated indirect cost rate (or provisional rate) for any federal awards.

2. The award recipient has received less than $35 million in direct federal funding for the fiscal year requested.

3. The de minimis rate will be applied to Modified Total Direct Cost (MTDC). This base includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

4. The de minimis rate must be used consistently for all Federal awards until such time as the awardee chooses to negotiate a rate with its cognizant agency for indirect costs.

5. The project costs will be consistently charged as either indirect or direct and will not be double charged or inconsistently charged as both.

6. The proper use and application of the de minimis rate is the responsibility of the award recipient. The awarding federal agency may perform a financial monitoring review to ensure compliance with 2 CFR Part 200.

SUBMITTED BY AUTHORIZED GRANTEE REPRESENTATIVE WITH DECLARATION THE FOREGOING IS TRUE AND CORRECT AND THAT THE ENTITY WILL FULFILL ALL ABOVE REQUIREMENTS WHILE THE DE MINIMIS RATE IS IN EFFECT (2 CFR § 200.414):

Signature: ____________________________ Date: ____________________________

Printed Name/ Title: ____________________________