[Applicant Letterhead]

[Date]

Idaho State Police

Pass-Through Grants and Research

700 S. Stratford Drive

Meridian, ID 83642

[Name of applicant] understands that when using the 15% de minimis indirect cost rate, the following standards apply:

1. The applicant does not have a current Federally approved indirect cost rate agreement.
2. The de minimis rate approved will be applied to the MTDC. This base includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $50,000 of each subaward.
3. 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 $50,000. 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.
4. The project costs will be consistently charged as either indirect or direct and will not be double charged or inconsistently charged as both.
5. Once elected, the subgrantee must use the de minimis rate for all Federal awards until the recipient or subrecipient chooses to receive a negotiated rate.
6. The proper use and application of the de minimis rate is the responsibility of the applicant. PGR may perform a financial monitoring review to ensure compliance with 2 CFR Part 200.

Sincerely,

[Applicant Authorizing Official]