
APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary the Red Lake Band of Chippewa Indians

Lead Agency Authorized to Act on Behalf of the Beneficiary the Red Lake DNR Environmental Program
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	Replace Class 7 & 8 Trucks
Beneficiary's Project ID:	2020-RL-VW-002
Funding Request No.	<i>(sequential)</i> 2
Request Type: (select one or more)	<input type="checkbox"/> Reimbursement <input checked="" type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input checked="" type="checkbox"/> Beneficiary <input type="checkbox"/> Other (specify): _____
Funding Request & Direction (Attachment A)	<input checked="" type="checkbox"/> Attached to this Certification <input type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>1 & 6</u>
Action Type	<input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2): See addendum	
Estimate of Anticipated NOx Reductions (5.2.3): See addendum	
Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1): Accounting Office of the Red Lake Band of Chippewa Indians	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2). See addendum	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8). This project does not involve a cost share.	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9). Red Lake was not notified by any government agencies.	

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

N/A

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- | | | |
|-------------------------------------|---------------------|---|
| <input checked="" type="checkbox"/> | Attachment A | Funding Request and Direction. |
| <input checked="" type="checkbox"/> | Attachment B | Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4). |
| <input checked="" type="checkbox"/> | Attachment C | Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11). |
| <input checked="" type="checkbox"/> | Attachment D | Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.] |
| <input type="checkbox"/> | Attachment E | DERA Option (5.2.12). [Attach only if using DERA option.] |
| <input type="checkbox"/> | Attachment F | Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.] |

CERTIFICATIONS

By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary the Red Lake Band of Chippewa Indians, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.
2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.
3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.
4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)
5. Beneficiary will maintain and make publicly available all documentation submitted in

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED: 8/27/2020

Jennifer Malinski, Environmental Specialist

[NAME]

[TITLE]

SIGNATURE: Jennifer Malinski

the Red Lake DNR Environmental Program

[LEAD AGENCY]

Jennifer Malinski

for

the Red Lake Band of Chippewa Indians

10-27-20

[BENEFICIARY]

Redacted

Redacted

[SAMPLE ATTACHMENT B - USE OF THIS FORMAT IS NOT MANDATORY]

PROJECT MANAGEMENT PLAN
PROJECT SCHEDULE AND MILESTONES

Milestone	Date
Lead Agency Provides Notice of Availability of Mitigation Action Funds	
Project Sponsor Submits Proposal to Lead Agency	
Lead Agency Provides Written Approval of Project Sponsor's Proposal	
Lead Agency Incorporates Project Sponsor's Proposal into Mitigation Plan	
Trustee Acknowledges Receipt of Project Certification and Funding Direction	
Trustee Allocates Share of Funds for Approved Project	
Lead Agency Directs Funding (Advance Funded Projects)	
Project Sponsor Obtains Cost Share, Notifies or Certifies to Lead Agency	
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Start	
Project Sponsor Enters into Contracts, Purchase Orders, etc. - Complete	
Project Installation(s) – Start	
Project Installation(s) – Complete	
Project Sponsor provides detailed invoices for all claimed project costs, documentation for emission reduction estimates, required certification documents to Lead Agency to support direction to Trustee for Payment (Reimbursement, Direct-to-Vendor) or final accounting (Forward Funded Projects)	-
Lead Agency completes review and certifies payment direction to Trustee (Reimbursement)	
Trustee Acknowledges Receipt of Direction for Payment(s) (Advance Funded, Reimbursement)	-
Project Sponsor Certifies Project Completion	
Lead Agency Reports Project Completion	

PROJECT BUDGET

Period of Performance: _____				
Budget Category	Total Approved Budget	Share of Total Budget to be Funded by the Trust	Cost-Share, if applicable (Entity #1)	Cost-Share, if applicable (Entity #2)
1. Equipment Expenditure	\$	\$	\$	\$
2. Contractor Support <i>(Provide List of Approved Contractors as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$
3. Subrecipient Support <i>(Provide List of Approved Subrecipients or Grant Awardees as Attachment with approved funding ceilings)</i>	\$	\$	\$	\$
4. Administrative ¹	\$	\$	\$	\$
Project Totals	\$	\$	\$	\$
Percentage	%	%	%	%

¹ Subject to Appendix D-2 15% administrative cap.

PROJECTED TRUST ALLOCATIONS:

	2017	2018	2019	2020	2021
1. Anticipated Annual Project Funding Request to be paid through the Trust	\$	\$	\$	\$ 322,443	\$
2. Anticipated Annual Cost Share	\$	\$	\$	\$ N/A	\$
3. Anticipated Total Project Funding by Year (line 1 plus line 2)	\$	\$	\$	\$ 322,443	\$
4. Cumulative Trustee Payments Made to Date Against Cumulative Approved Beneficiary Allocation	\$	\$	\$	\$	\$
5. Current Beneficiary Project Funding to be paid through the Trust (line 1)	\$	\$	\$	\$	\$
6. Total Funding Allocated to for Beneficiary, inclusive of Current Action by Year (line 4 plus line 5)	\$	\$	\$	\$	\$
7. Beneficiary Share of Estimated Funds Remaining in Trust	\$	\$	\$	\$	\$
8. Net Beneficiary Funds Remaining in Trust, net of cumulative Beneficiary Funding Actions (line 7 minus line 6)	\$	\$	\$	\$	\$

**RED LAKE BAND OF CHIPPEWA INDIANS
Addendum to Appendix D-4**

August 25, 2020

5.2.2 Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits

During the third funding cycle of the Volkswagen Settlement Environmental Mitigation Trust for Indian Tribes, the Red Lake Band of Chippewa Indians will replace two (2) government-owned eligible vehicles (Item 6: Class 4-7 Local Freight Trucks, and Item 1: Class 8 Local Freight Trucks and Port Drayage Trucks) with two (2) low-emission new diesel vehicles.

The eligible Class 4-7 vehicle and the eligible Class 8 vehicle to be replaced will be the following:

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>VIN</u>
1994	Ford	LT9000	Semi	1FDYU90XXRVA05226
1993	Freightliner	Conv. Cab	Septic Truck	1FV6HFBA1PL447171

The eligible diesel vehicles will be scrapped and replaced with low-emission new diesel vehicles. The Red Lake Band of Chippewa Indians understands the term "scrapped" to mean to render inoperable and available for recycle and, at minimum, to specifically cur a 3-inch hole in the engine block for all engines and, for vehicles to be replaced as part of this project, to disable the chassis by cutting the vehicle's frame rails completely in half.

The low-emission replacement vehicles that the Red Lake Band of Chippewa Indians will acquire are as follows:

<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Base Cost per Unit</u>
2020	Western Star	4700	Semi	\$152,782.00
2020	Freightliner	M280	Septic Truck	\$162,499.00

The total cost of the replacement vehicles will be \$315,281.

The community and air quality benefits from the project will include reduced pollution, including reduced emissions of NOx and PM2.5, reduced fuel consumption, and reduced fuel costs.

5.2.3 Estimate of Anticipated NOx Reductions

The Eligible Mitigation Action will result in a significant reduction in NOx emissions. According to the U.S. Environmental Protection Agency's Diesel Emissions Qualifier (DEQ) tool, the Eligible Mitigation Action will result in an 95.6% annual reduction in NOx emissions and annual reductions of PM2.5 of 98.0%; HC 94.3%; and CO 91.8% (based on average results for eligible trucks). The project will result in an annual reduction of 0.417 short tons of NOx.

A lifetime reduction of NOx is 95.5%, PM2.5 is 98.0%, HC is 93.7% and CO is 92.1%. These values are based on average results for eligible trucks, taking into account the expected remaining life of the vehicle.

Detailed data follow:

Emissions Results for Red Lake Band of Chippewa Indians Environmental Mitigation Action

The results for the upgrades in the project are from the U.S. Environmental Protection Agency Diesel Emissions Quantifier.

These results include the replacement of a Class 4-7 Local Freight Truck and a Class 8 Local Freight Truck.

Emission Results:

Here are the combined results for all groups and upgrades entered for your project.¹

<i>Annual Results (short tons)²</i>	NO_x	PM2.5	HC	CO	CO₂	Fuel³
Baseline for Upgraded Vehicles/Engines	0.436	0.026	0.052	0.122	28.4	2,520
Amount Reduced After Upgrades	0.417	0.026	0.049	0.112	13.4	1,195
Percent Reduced After Upgrades	95.6%	98.0%	94.3%	91.8%	47.4%	47.4%

<i>Lifetime Results (short tons)²</i>						
Baseline for Upgraded Vehicles/Engines	1.659	0.106	0.178	0.475	124.2	11,040
Amount Reduced After Upgrades	1.584	0.104	0.167	0.437	63.2	5,615
Percent Reduced After Upgrades	95.5%	98.0%	93.7%	92.1%	50.9%	50.9%

¹ Emissions from the electrical grid are not included in the results.

² 1 short ton = 2000 lbs.

³ In gallons; fuels other than ULSD have been converted to ULSD-equivalent gallons.

⁴ Cost effectiveness estimates include only the costs which you have entered.

Remaining Life

Ford LT9000 Semi: Municipal Short Haul - Single Unit Class 8 (Utility) Vehicle Replacement - ULSD (diesel)	5 years
Freightliner Septic Truck: Municipal Short Haul - Single Unit Class 6-7 (Utility) Vehicle Replacement - ULSD (diesel)	2 years

Project Information:

Group Name: Ford LT9000 Semi

Type Onroad	Engine Model Year 1994	Fuel Type ULSD (diesel)
Target Fleet Short Haul - Single Unit	Upgrade Year 2020	Annual Fuel Gallons 2,000
Class Class 8	Remaining Life 5	Diesel-equivalent Gallons 2,000
Sector Municipal		Annual Miles Traveled 6,000
Vocation Utility		Annual Idling Hours 1,095
Quantity 1		
Edit Group Copy This Group Delete		

Upgrades to Ford LT9000 Semi

Action	Upgrade	New Model Year	New Fuel Volume	New Diesel-equivalent Gallons	Cost per Unit		Percent Reduction				
					Upgrade	Labor	NO _x	PM2.5	HC	CO	CO ₂
Edit Delete	Vehicle Replacement - ULSD (diesel)	2020	925	925	\$0	\$0	95.3	98.1	92.8	92.3	-

Group Name: Freightliner Septic Truck

Type Onroad	Engine Model Year 1993	Fuel Type ULSD (diesel)
Target Fleet Short Haul - Single Unit	Upgrade Year 2021	Annual Fuel Gallons 520
Class Class 6-7	Remaining Life 2	Diesel-equivalent Gallons 520
Sector Municipal		Annual Miles Traveled 4,000
Vocation Utility		Annual Idling Hours 725
Quantity 1		
Edit Group Copy This Group Delete		

Upgrades to Freightliner Septic Truck

Action	Upgrade	New Model Year	New Fuel Volume	New Diesel-equivalent Gallons	Cost per Unit		Percent Reduction				
					Upgrade	Labor	NO _x	PM2.5	HC	CO	CO ₂
Edit Delete	Vehicle Replacement - ULSD (diesel)	2020	400	400	\$0	\$0	96.1	97.7	95.6	91	-

5.2.7.2 Describe how the Beneficiary will make documentation publicly available

Information Requests. The Red Lake Band of Chippewa Indians has established a webpage dedicated to the funding received from the VW Settlement Trust, which includes a link for members of the public to request additional information and documents related to the funding request and expenditure of funds. The webpage is accessible through the Red Lake Department of Natural Resources website (<http://www.redlakednr.org/>). The Red Lake Band of Chippewa Indians endeavors to respond to such requests within ten (10) business days and, when documents are requested, advises the individual within that timeframe of the procedure for reviewing such documents.

Governing Law. The settlement agreement shall be governed by, construed, and enforced in accordance with the following laws: First, the laws of the Red Lake Band of Chippewa Indians; Second, in the absence of applicable Red Lake law, applicable federal law will be applied; and Third, in the absence of applicable Red Lake law and applicable federal law, the laws of the State of Minnesota will be applied.

Sovereign Immunity. Nothing in this agreement shall be construed as a waiver of the sovereign immunity of the Red Lake Band of Chippewa Indians.

RED LAKE BAND OF CHIPPEWA INDIANS

Attachment B to Appendix D-4

5.2.4 Eligible mitigation action management plan including detailed budget and implementation and expenditures timeline

Eligible Mitigation Action Plan/Timeline

Milestones	Date
Lead Agency issues request for quotes to vendors for acquisition of low-emission new diesel Class 7 truck and Class 8 truck	7/31/2020
Lead Agency Provides Project Certification and Funding Direction to Trustee	8/28/2020
Trustee allocates share of funds for approved project	11/12/2020
Lead Agency directs funding and enters into contracts for acquisition of low-emission new diesel trucks	1/15/2021
Low-emission new diesel trucks in use	4/15/2021
Eligible trucks decommissioned and scrapped	6/15/2021
Lead Agency provides detailed invoices for all claimed project costs, documentation for emission reduction estimates, required certification documents to trustee for final accounting	7/30/2021
Lead Agency reports project completion	7/30/2021

Project Budget

Period of performance: Third Funding Cycle

Acquisition costs are broken down as follows:

Year	Make	Model	Description	Total Cost
2020	Freightliner	M280	Septic Truck	\$162,499.00
2020	Western Star	4700	Semi	\$152,782.00
			Total	\$315,281.00

Total project budget:

Budget Category	Total
Acquisition of new diesel vehicles	\$315,281.00
Admin costs	\$7,162.00
Project Total	\$322,443.00
Cost share covered by the Red Lake Band of Chippewa Indians	NA

Administrative Costs:

Personnel (Environmental Specialist)	Total
Salary (\$32.25 per hour, 148 hours)	\$4,773.00
Fringe (32.6% of Salary)	\$1,556.00
Indirect Cost (17.45% of Salary)	\$832.89
Total Cost	\$7,161.89
Percentage of Allocation	2.22%

This project does not involve a cost share. The total cost of the project is \$322,443. The final funding allocation available to the Red Lake Band of Chippewa Indians for this round of funding is \$322,443.

Project Trust Allocation

Third Funding Cycle: \$322,443, 100% of our total project cost.

Indirect Cost Rate

Most recent Indirect Cost Negotiation Agreement for the Red Lake Band of Chippewa Indians

The indirect cost rates are for use on grants, contracts, and other agreements with the Federal Government. The negotiated indirect cost rate for Red Lake is 17.45%. See attached Indirect Cost Negotiation Agreement for more details.

RED LAKE BAND OF CHIPPEWA INDIANS
Attachment C to Appendix D-4

5.2.11 Detailed plan for reporting on eligible mitigation action implementation

No later than six months after the Tribe receives its first disbursement of Trust Assets, and thereafter no later than January 30 (for the preceding six-month period of July 1 to December 31) and July 30 (for the preceding six-month period of January 1 to June 30) of each year, the Tribe shall submit to the Trustee a semiannual report describing the progress implementing the Tribe's project during the six-month period leading up to the reporting date (including a summary of all costs expended on the Eligible Mitigation Action through the reporting date and required certification documents). The first semi-annual report date is expected to be 5/12/2021.

RED LAKE BAND OF CHIPPEWA INDIANS
Attachment D to Appendix D-4

5.2.6 Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000

Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 are attached to this Attachment D.



Truck Country of Wisconsin, Inc.
 2222 W Ryan Rd
 Oak Creek, WI 53154
 truckcountry.com

Josh LaQuee
 414-750-3595
 joshlaquee@truckcountry.com

2020 FREIGHTLINER M280

Stock# 616716

\$162,499.00



Vehicle Details

VIN	1FVHCYFESUHLZ7405
Unit Type	SEPTIC
Color	WHT
Interior Color	OPAL GRAY
Wheelbase	163
Fifth Wheel	NONE
Odometer	119
Tire Size	22L
Wheels	AA
Interior	STD
Fairings	NONE
Engine	
Engine	CUMMINS
Engine Model	L9
HP	350
Engine Brake	YES
Transmission	
Transmission Make	AUT
Transmission Model	JUUU RUS 41H
Axis Information	
FA Model	F160-5N
FA Weight	16000
RA Front Model	MD-20-14X
RA Weight	40000
RA Rear Model	MR-20-14X
Ratio	5.29
Suspension	
Suspension	AIR

\$162,499.00

VIN 1FV6HFBA1PL447171

(Includes tank)

Additional Information

Take the wheel and take the road to any of the 25 Truck Country/Steeps locations across the Midwest.

PLEASE NOTE: Although all specifications are believed to be correct, periodically errors, omissions or changes occur. Truck Country/Steeps will not be held liable for any errors and omissions. Please verify all specifications with your salesperson.

PJ McGraw

From: Josh LaQuee <JoshLaQuee@truckcountry.com>
Sent: Tuesday, July 28, 2020 3:02 PM
To: PJ McGraw
Subject: FW: Vacuum Truck - Medium Duty
Attachments: IMG_1421-400x250.jpg; IMG_1414-400x250.jpg; IMG_1417-400x250.jpg; IMG_1419-400x250.jpg; IMG_1406-400x250.jpg; IMG_1407-400x250.jpg; IMG_1409-400x250 (1).jpg; IMG_1410-400x250.jpg; IMG_1411-400x250.jpg; IMG_1409-400x250.jpg

WARNING: This message is from someone outside our organization. Please do not click a link or open an attachment unless you know the individual and are expecting an email. Thank you!

PJ,

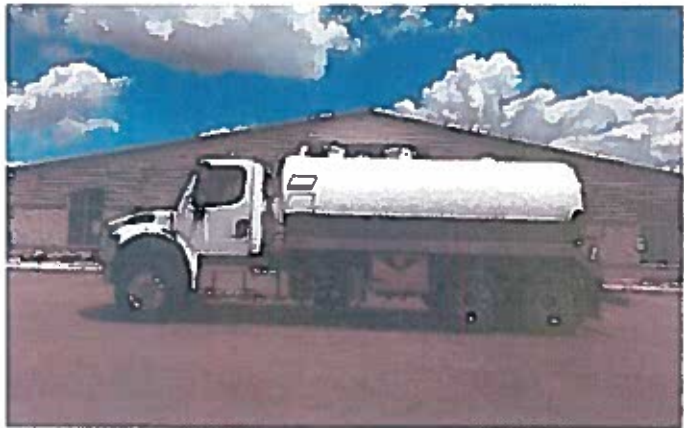
Here is an M2 Septic Truck that we have bodied right now.

Would this truck work for your need? This is a medium duty option that we currently have ready to go.

Thanks,

Tank Specs

Steel 3600-Gallon Vacuum Tank
72" Diameter Tank
1/4" Thick Steel Barrel
1/4" Thick Steel ASME Dished Heads
Horizontal Baffles
NVE887 Air Cooled Vacuum Pump (532 CFM)
Hot Shift PTO
20" Top Man-way
20" Man-way on Back Tank Head
One (1) 4" Vacuum Inlet w/ Lever Valve
One (1) 6" Discharge w/ Piston Valve w/ Handle
Three (3) 5" Sight Glasses on Rear Tank Head
Full-Length Aluminum Hose Trays
Prepped for See Level Indicator
Two (2) Hose Hooks w/ Hose Protectors
One (1) Aluminum 24" x 24" x 36" Toolbox
DOT LED Light Package
Two (2) Rear LED Work Lights
Rear Bumper (Adjustable)



Josh LaQuee
Truck Sales Representative
Mobile 414-750-3595

See our full inventory @ [//truckcountry.com/trucks-search](https://truckcountry.com/trucks-search)

Web www.truckcountry.com
Email joshlaquee@truckcountry.com
2222 W Ryan Rd. Oak Creek, WI 53154

Prepared for:
 ROBERT SMITH
 RED LAKE
 HWY 89 S
 RED LAKE, MN 56671
 Phone: 218-368-3564

\$152,782.00
VIN 1FDYU90XXRVA05226
(Includes wet kit)

Prepared by:
 Tom Killan
 BOYER TRUCKS DULUTH-
 SUPERIOR
 1202 SUSQUEHANNA AVE.
 SUPERIOR, WI 54880
 Phone: 714-394-2478

QUOTATION

WESTERN STAR 4700 SET-FORWARD FRONT AXLE CHASSIS

SET FORWARD AXLE - TRACTOR DETROIT DD13 12 BL 470 HP @ 1825 RPM, 1900 GOV RPM, 1650 LB/FT @ 975 RPM ALLISON 4500 RDS AUTOMATIC TRANSMISSION WITH PTO PROVISION MT-40-14X 40,000# R-SERIES TANDEM REAR AXLE AIRLINER 40,000# LIGHTWEIGHT EXTRA DUTY REAR SUSPENSION WITH CHAIN CLEARANCE DETROIT DA-F-12 0-3 12,000# FF1 71.5 KW/3.74 DROP SINGLE FRONT AXLE	12,000# DUAL TAPERLEAF FRONT SUSPENSION 110 INCH BBC STEEL CONVENTIONAL CAB 4575MM (180 INCH) WHEELBASE HOLLAND FW35 ILS 24.0 INCH AIR SLIDE FIFTH WHEEL - 2 INCH SLIDE INCREMENTS 11/32X3-1/2X10-3/16 INCH STEEL FRAME (8.73MMX258 BMM/0.344X10.19 INCH) 120KSI 1400MM (55 INCH) REAR FRAME OVERHANG
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		PER UNIT		TOTAL
VEHICLE PRICE	TOTAL # OF UNITS (1)	\$	128,322	\$ 128,322
EXTENDED WARRANTY		\$	0	\$ 0
DEALER INSTALLED OPTIONS		\$	8,316	\$ 8,316
CUSTOMER PRICE BEFORE TAX		\$	136,638	\$ 136,638

TAXES AND FEES				
FEDERAL EXCISE TAX (FET)		\$	16,144	\$ 16,144
TAXES AND FEES		\$	0	\$ 0
OTHER CHARGES		\$	0	\$ 0

TRADE-IN				
TRADE-IN ALLOWANCE		\$	(0)	\$ (0)
BALANCE DUE	(LOCAL CURRENCY)	\$	152,782	\$ 152,782

COMMENTS:

Projected delivery on ___ / ___ / ___ provided the order is received before ___ / ___ / ___.

APPROVAL:

Please indicate your acceptance of this quotation by signing below.

Customer: X _____ Date: ___ / ___ / ___.



**Indian Organizations
Indirect Cost Negotiation Agreement**

EIN: 41-0692381

Organization:

Red Lake Band of Chippewa Indians
P.O. Box 574
Red Lake, MN 56671-0574

Date: December 12, 2019

Report No(s): 20-A-0312 (20C)

Filing Ref.:

Last Negotiation Agreement
dated November 25, 2019

The indirect cost rates contained herein are for use on grants, contracts, and other agreements with the Federal Government to which Public Law 93-638 and 2 CFR Part 200 apply for fiscal years beginning on or after December 26, 2014 subject to the limitations contained in 25 CFR 900 and Section II.A. of this agreement. Applicable OMB Circulars and the regulations at 2 CFR 225 will continue to apply to federal funds awarded prior to December 26, 2014. The rates were negotiated by the U.S. Department of the Interior, Interior Business Center, and the subject organization in accordance with the authority contained in applicable regulations.

Section I: Rates

Type	Effective Period		Rate*	Locations	Applicable To
	From	To			
Fixed Carryforward	01/01/20	12/31/20	18.33%	All	BIA-638
Fixed Carryforward	01/01/20	12/31/20	17.45%	All	IHS-638
Fixed Carryforward	01/01/20	12/31/20	17.45%	All	All Others

***Base:** Total direct salaries and wages, excluding fringe benefits. The rate applies to all programs administered by the Tribe. To determine the amount of indirect costs to be billed under this agreement, direct salaries and wages should be summed and multiplied by the rate. All other program costs, including fringe benefits associated with direct salaries and wages, should be eliminated from the calculation.

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

Page 1 of 3

A. Limitations: Use of the rate(s) contained in this agreement is subject to any applicable statutory limitations. Acceptance of the rate(s) agreed to herein is predicated upon these conditions: (1) no costs other than those incurred by the subject organization were included in its indirect cost rate proposal, (2) all such costs are the legal obligations of the grantee/contractor, (3) similar types of costs have been accorded consistent treatment, and (4) the same costs that have been treated as indirect costs have not been claimed as direct 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 indirect cost pool for central administration).

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: The rate(s) contained in this agreement are based on the accounting system in effect at the time the proposal was submitted. Changes in the method of accounting for costs that affect the amount of reimbursement resulting from use of the rate(s) in this agreement may require the prior approval of the cognizant agency. Failure to obtain such approval may result in subsequent audit disallowance.

D. Rate Type:

1. **Fixed Carryforward Rate:** The fixed carryforward rate is based on an estimate of costs that will be incurred during the period for which the rate applies. When the actual costs for such period have been determined, an adjustment will be made to the rate for a future period, if necessary, to compensate for the difference between the costs used to establish the fixed rate and the actual costs.

2. **Provisional/Final Rate:** Within six (6) months after year end, a final indirect cost rate proposal 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 there are no funds available to cover the additional indirect costs, the organization may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the organization will be required to pay back the difference to the funding agency.

3. **Predetermined Rate:** A predetermined rate is an indirect cost rate applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment. (Because of legal constraints, predetermined rates are not permitted for Federal contracts; they may, however, be used for grants or cooperative agreements.)

E. Rate Extension: Only final and predetermined rates may be eligible for consideration of rate extensions. Requests for rate extensions of a current rate will be reviewed on a case-by-case basis. If an extension is granted, the non-Federal entity may not request a rate review until the extension period ends. In the last year of a rate extension period, the non-Federal entity must submit a new rate proposal for the next fiscal period.

F. Agency Notification: Copies of this document may be provided to other federal offices as a means of notifying them of the agreement contained herein.

G. Record Keeping: Organizations must maintain accounting records that demonstrate that each type of cost has been treated consistently either as a direct cost 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.

H. Reimbursement Ceilings: Grantee/contractor program agreements providing for ceilings on indirect cost rates or reimbursement amounts are subject to the ceilings stipulated in the contract or grant agreements. If the ceiling rate is higher than the negotiated rate in Section I of this agreement, the negotiated rate will be used to determine the maximum allowable indirect cost.

I. Use of Other Rates: If any federal programs are reimbursing indirect costs to this grantee/contractor by a measure other than the approved rate(s) in this agreement, the grantee/contractor should credit such costs to the affected programs, and the approved rate(s) should be used to identify the maximum amount of indirect cost allocable to these programs.

J. 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.

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

3. Each Indian tribal government desiring reimbursement of indirect costs must submit its indirect cost proposal to our office within six (6) months after the close of the Tribe's fiscal year, unless an exception is approved.

Section III: Acceptance

Listed below are the signatures of acceptance for this agreement:

By the Indian Organization:

By the Cognizant Federal Government Agency:

Red Lake Band of Chippewa Indians
Tribal Government Agency

U.S. Department of the Interior
Interior Business Center

Annette Johnson /s/

CRAIG WILLS Digitally signed by CRAIG WILLS
Date: 2019.12.12 08:13:44 -0800 /s/

Signature
Annette Johnson
Name (Type or Print)

Signature
Craig A. Wills
Name

Tribal Treasure
Title

Division Chief
Indirect Cost Services Division
Title

12/11/19
Date

Prepared by Kassandra Ortega
Telephone (916) 930-3834