

USDA – ARS

AGENCY GUIDANCE FOR NON-ASSISTANCE COOPERATIVE AGREEMENT (NACA)

1. ARS PI's will reach out to MSU PI's to request a budget and budget justification.
 - a. Regardless if they say this is a draft, it needs to come through OSP. ARS PI's will use the draft and then we have to make corrections on the back end.
 - b. Create a portal ticket with the budget, justification, IAS and any other documentation that ARS requested.
 - c. Once the budget and justification has been approved, OSP will submit.
2. Templates are available from OSP for the budget, budget justification and budget reallocation for the Non-Assistance Cooperative Agreements (NACA) without changing the cost share and one with changing the cost share.
3. All changes requested must be approved by ARS (NCE's, Budget revisions, change of PI, etc.) with the exception of revising the Cost Share column of the budget.
 - a. Copy SPA (if you are unsure who to copy, OSP can copy them) on budget revision request in the portal for their review. SPA has to review and approve the budget revision before it is submitted to ARS.
 - i. If the Cost Share column is the only change needed, no approval is needed as long as we meet our 20% requirement, and the direct cost isn't reduced.
4. Budget:
 - a. The lead PI has to have salary budgeted in the Agency to Reimburse Column and/or Cooperator Contribution Column.

- b. Tuition is not allowed.
- c. Equipment and All Other Direct Cost has to be listed in the budget justification with price per item.
- d. Cost share of 20% is required. This consists of Direct Cost, Unallowed IDC and IDC on the Cost share.
 - i. Of that 20%:
 - 1. 7.6% has to be in Direct Cost for Non-Congressional Mandated Projects.
 - 2. 2.9% has to be in Direct Cost for Congressional Mandated Projects.
 - ii. Once you have the amount that has to be Direct Cost, you will need to adjust the percentage of IDC charged to make the total cost share come out to 20% or a little over.

Example:

Agency to Reimburse total: \$100,000

MSU has to Cost share: $\$100,000 \times 20\% = \$20,000$

Of that \$20,000: $\$20,000 \times 7.6\%$ (using the Non-Congressional Mandated rate) = \$1,520 needs to be in Direct Cost

How to calculate the IDC: $\$20,000 - \$1,520 = \$18,480$ is what your unallowed IDC and IDC on Cost share should come out to.

$\$18,480 / \$101,520 = 18.20\%$, this is a little short on the required cost share, so I made it 18.21%. This makes the total cost share \$20,007.

You may have to go over the 20% by a little to get your 20%. IDC percentage can not be more than 2 decimal places.