

Form 2700-4h (Appendix B), GT Fee Offset Agreement

Authorization ID [redacted]
 Contact ID [redacted]
 Expiration [redacted]

**APPENDIX B
 ANNUAL GRANGER THYE FEE OFFSET AGREEMENT
 SPECIAL USE PERMIT
 For Campground and Related Granger-Thye Concessions
 AUTHORITY: Section 7 of the Granger-Thye Act, 16 U.S.C. 580d
 <Reference FSH 2709.11 chapter 50>**

This Annual Granger-Thye (GT) Fee Offset Agreement is made by [name] (the Holder) and the U.S. Department of Agriculture, Forest Service, [name] National Forest (the Forest Service), under section 7 of the G-T Act, 16 U.S.C. 580d, and clause IV.E of the special-use permit issued to the holder on [date] (the permit).

The total estimated annual permit fee is [amount]. [] percent of that permit fee may be offset by the cost incurred by the Holder for the Government maintenance, reconditioning, renovation, or improvement (MRRI) projects listed below in accordance with this agreement. Additionally, [] percent of that fee may be offset by the cost incurred by the Forest Service for the Government MRRI projects under a separate collection agreement. Projects to be performed by the Holder shall be completed by the date specified and within the Holder's fiscal year for the year the fee is due. The Forest Service may modify the projects and dates as necessary, after consultation with the Holder.

The actual cost of each project that is satisfactorily completed as determined by the Forest Service may be offset against the holder's permit fee. Due dates and cost estimates for completion of each project are enumerated below. Examples of allowable costs include salaries and wages, materials and supplies, and subcontracts that are direct costs of a G-T fee offset project and indirect costs based on an approved indirect cost rate. The total cost for Government MRRI projects to be performed under this agreement shall not exceed the annual fee.

Upon a determination by the Forest Service that a project has been satisfactorily completed by the holder, the holder shall submit documentation of its actual cost to the Forest Service and shall certify that the representations in that documentation are accurate and complete. The certification shall be signed and dated, and shall state that failure to sign the certification shall vitiate the fee offset claim. The Forest Service shall verify that documentation before giving any credit against the holder's permit fee, and reserves the right not to grant any fee offset if any of the representations in the documentation is inaccurate or incomplete.

The Holder shall perform the work itemized below under this agreement.

Description of Project	Due Date	Estimated cost	Completion Date	Actual Cost
[itemize projects]				

Signed: _____
 Holder or Holder's Agent

 Date

Signed: _____
 Authorized Officer

 Date

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

Form 2700-4h (Appendix G), GT Fee Offset Claim Certification

Authorization ID
 Contact ID
 Expiration Date

APPENDIX G
Granger-Thye Fee Offset Claim Certification
 for
SPECIAL USE PERMIT
AUTHORITY: Section 7 of the Granger-Thye Act, 16 U.S.C. 580d
<Reference FSH 2709.11, chapter 50>

NATIONAL FOREST
 RANGER DISTRICT
PERMIT NUMBER

Project Name _____ **Holder's Fiscal Year (FY)** _____

Total allowable costs may be offset under a Granger-Thye (GT) fee offset agreement to the extent they do not exceed the total annual fee for this permit. Total allowable costs of a GT project included in this GT claim are the sum of the direct GT project costs and indirect costs allocable to this GT project. Costs submitted under this GT claim will be accepted to the extent they are reasonable, allocable, and determined to be allowable, in accordance with the terms of the permit, GT agreement, and agency policy.

Direct GT Costs: Provide claimed GT costs by cost element and attach schedules to show the cost breakdown by cost element. Provide supporting documentation for the cost claim.

Indirect costs: Indirect costs must be computed based on Forest Service-approved indirect cost rate and may be added to the total direct GT costs. Attach the approved indirect cost rate for FY .

Approval of the fee offset claim is subject to all provisions in the Annual Granger-Thye Fee Offset Agreement (FS-2700-4h, Appendix B) executed by the U.S. Department of Agriculture, Forest Service, National Forest, and on .

DIRECT GT COSTS	
Salaries and Wages	\$ <input type="text"/>
Materials and Supplies	\$ <input type="text"/>
Subcontracts	\$ <input type="text"/>
Other (specify)	\$ <input type="text"/>
Sum of Direct GT Costs	\$ <input type="text"/>
INDIRECT COSTS (<input type="text"/> % x Direct GT costs)	\$ <input type="text"/>
TOTAL GT COST CLAIM FOR PROJECT	\$ <input type="text"/>

Subject to the penalties prescribed in the False Statements Act, 18 U.S.C. 1001, the holder certifies to the best of its knowledge that the representations in the documents supporting its claim for fee offset are accurate and complete. The Forest Service reserves the right not to grant the fee offset claim if any of these representations is inaccurate or incomplete. Failure to sign the certification shall vitiate the fee offset claim.

Signed: _____ Date: _____
 Name of Certifying Official

 Title of Certifying Official

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 975-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

COLLECTION AGREEMENT

between

Campground Concessionaire - Name

And

Mark Twain National Forest, USDA-Forest Service

THIS COLLECTION AGREEMENT is made and entered into by and between **Campground Concessionaire – Name**, hereinafter referred to as **XXXX** and the Mark Twain National Forest, USDA-Forest Service, hereinafter referred to as the Forest Service, under the provisions of the Granger-Thye Act of April 24, 1950 (16 USC 572).

I. PURPOSE

XXXX was issued a Special Use Permit by the Forest Service, dated March 18, 2011 for the purpose of administering, operating, and maintaining fee campgrounds on the Mark Twain National Forest. Clause IV. *Permit Fees And Accounting Records*, E. *Granger-Thye Fee Offset*, of said Permit provides for replacement and reconditioning, such as unforeseen major repairs or replacement of building, water systems, disposal systems, and the like.

The 2011 **XXXX** Granger Thye Offset Agreement (Attachment A) identifies projects **XXXX** agrees to complete or have the Forest Service complete by collection agreement. The attached project (Attachment B) will be completed by the Forest Service by October 31, 2011. The work was accepted in the **XXXX** Granger-Thye Offset Agreement for 2011 dated March 28, 2011.

Under authority of Section 7 of the Granger-Thye Act, the Forest Service may at its discretion request **XXXX** to perform this replacement or reconditioning work for credit against part or all of the fee owed to the government specified in clause IV E. If requested by the Forest Service, **XXXX** may either (1) perform this work for fee credit or (2) upon reaching agreement with the Forest Service, **XXXX** may enter into a Collection Agreement whereby the Forest Service will perform the work for **XXXX**; and

The Forest Service has requested that **XXXX** perform the work described in the **XXXX** Granger-Thye Offset Agreement for 2011 dated March 28, 2011. **XXXX** has or will complete all of the projects except for:

The Forest Service has not received payments from **XXXX** for fees due the government under provisions of the Special Use Permit as they have received credit for Granger-Thye projects that have already been completed.

II. STATEMENT OF MUTUAL INTERESTS AND BENEFITS:

The Forest Service benefits by having the Cooperator use and maintain the improvements. The Cooperator wishes to operate the recreation sites in accordance with the terms and conditions of the Special Use Authorization. The authorized use results in the maintenance and repair of improvements under permit.

III. FOREST SERVICE SHALL:

1. If the cost of the work performed by the Forest Service exceeds the amount on deposit, pay out of appropriated funds any additional amounts necessary to complete this project.

2. Deposit funds paid by **XXXX** into a Forest Service CWFS Cooperative Work Account.
3. Perform the work according to Forest Service standards.

IV. COOPERATOR SHALL:

1. Utilize equipment, supplies and materials, which have been approved by the Forest Service.
2. Make payment to the Forest Service in the amount of \$XX.
3. Give the Forest Service or Comptroller General, through any authorized representative, access to and the right to examine all books, papers, or documents related to this instrument.
4. The Cooperator hereby agrees to defend and hold harmless the USDA Forest Service its representatives or employees, from any damage incident to the performance of the work resulting from, related to, or arising from this instrument.

V. IT IS MUTUALLY AGREED AND UNDERSTOOD BY ALL PARTIES THAT:

- A. The United States Government shall not be liable for any damage incident to the performance of work under this Agreement to any depositors or landowners who are parties to the Agreement, and all such depositors or landowners hereby expressly waive any and all claims against the United States Government for compensation for any loss, damage, personal injury or death occurring in consequence of the performance of this Agreement.
- B. This instrument is executed as of the last date shown below and expires four (4) years from the date of execution at which time it will be subject to review, renewal, or expiration. Either party may terminate this agreement by thirty (30) calendar days written notice to the other. In the event of early termination, any funds on deposit or obligated in a purchase order will be available for expenses incident to closing out the work beyond the written notice.
- C. Pursuant to Section 22, Title 41, United States Code, no member of, or Delegate to, Congress shall be admitted to any share or part of this instrument, or any benefits that may arise therefrom.
- D. Nothing herein shall be construed as obligating the Forest Service to expend or involving the United States in any contract or other obligation for the future payment of money in excess of appropriations authorized by law and administratively allocated for this work.
- E. Modifications within the scope of the instrument shall be made by mutual consent of the parties, by the issuance of a written modification, signed and dated by both parties, prior to any changes being performed. The Forest Service is not obligated to fund any changes not properly approved in advance.
- F. Improvements placed on National Forest System land at the direction of either party, shall thereupon become property of the United States, and shall be subject to the same regulations and administration of the Forest Service as other National Forest improvements of a similar nature.
- G. This instrument in no way restricts the Forest Service or the Cooperator(s) from participating in similar activities with other public or private agencies, organizations and individuals.

H. No part of this agreement shall entitle the cooperator to any share or interest in the project other than the right to use and enjoy the same under the existing regulations of the Forest Service including that specified by their permit.

I. The principal contacts for this instrument are:

XXX	XXX
USDA Forest Service	Campground Concessionaire
Mark Twain National Forest	XXX
XXX	XXX
XXX	XXX

J. Funds authorized for use by the Forest Service, which are not spent or obligated for projects approved under this Agreement, will be refunded to the Suspense Account for **XXX** fees or authorized for use for new projects as agreed to by both parties.

Both parties, by the respective duly authorized officials, have executed this Agreement on the last date shown below.

Campground Concessionaire

Mark Twain National Forest

By: _____

By: _____

President

Forest Supervisor

Date: _____

Date: _____



United States
Department of
Agriculture

Forest
Service

Washington Office

14th & Independence SW
P.O. Box 96090
Washington, DC 20090-6090

File Code: 2720/6500

Date: July 11, 2002

Route To:

Subject: Indirect Cost Reimbursement in Granger-Thye Permits

To: Regional Foresters

Issue. At the request of the National Forest Recreation Association (NFRA) we have evaluated how the Forest Service reimburses the indirect costs of permit holders who perform Granger-Thye (GT) fee offset work. Holders are concerned that forests are inconsistent on whether and how indirect costs are allowed and what documentation is necessary to support a claim for indirect costs.

Background. Under Section 7 of the GT Act, and when authorized by a permit and GT fee offset agreement (GT agreement), the Forest Service offsets all or part of the permit fee paid by campground concessionaires with the cost of Government renovation, reconditioning, improvement, and maintenance performed at the concessionaire's expense on facilities covered by the permit. When the holder performs the work, it is authorized by an attachment to the permit called a GT fee offset agreement. Alternatively, the Forest Service may enter into a collection agreement as authorized by Section 5 of the GT Act to perform work eligible for fee offset under Section 7.

Historical Practice. Typically the field has offset the holder's direct costs for approved offset work, but reimbursement for the holder's indirect costs has varied. Approaches have included limiting indirect costs to a maximum of 5 percent or 10 percent of the fee to be offset, limiting the type of indirect costs to be reimbursed, or reimbursement of a flat overhead rate without documentation. Review of this issue has shown that these methods are not appropriate, because holders should be reimbursed actual costs. There is a misconception among employees and holders that the Forest Service can reimburse a flat indirect cost rate without documentation. There is often disagreement between forests and holders about what costs may be reimbursed.

Comparison. The Office of Management and Budget (OMB) has issued circulars to guide cost reimbursement for several types of business entities, including Circular A-87 for State and Local Governments and Circular A-122 for Non-Profit Organizations. The Federal Acquisition Regulation (FAR) Part 31 guides cost reimbursement for Commercial (For-Profit) Entities. We evaluated how cost reimbursement is conducted in other agency programs. Regulations at 7 CFR 3019.27 were updated in August 2000 to address the determination of allowable costs for grants and agreements in conformance with applicable OMB circulars. FSH 1509.11, Chapter 70, provides that administration of costs in grants and agreements for commercial entities is subject to FAR Part 31, Contract Cost Principles and Procedures. Adopting these cost standards for GT offset will create consistency among the program areas of special uses, contracting, and grants and agreements and conform to OMB guidance.



Regional Foresters

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Conclusion. Offset of indirect costs is appropriate. Indirect costs are a customary charge in contracting and grants and agreements and should be eligible for offset under GT agreements. The following guidance applies to reimbursement of actual costs to commercial entities holding GT permits. The guidance (enclosed) is excerpted from FAR Part 31 and 48 CFR Part 9904 but has been tailored to address GT agreements. A simplified process for small concessions is included at the end of the document. Cost principles for non-profit entities and state or local governmental entities are not addressed. The guidance does not address the reimbursement of agency indirect costs. When the Forest Service performs the work, agency indirect costs will be assessed in accordance with FSH 1509.11, Chapter 33 and indirect cost rates established nationally (e.g., the FY2002 rate is 18 percent).

Implementation.

Before the holder's indirect costs may be offset under a GT agreement, the holder must submit its indirect cost rate and supporting documentation for approval. Determination of an indirect cost rate should comply with the Cost Accounting Standards (CAS) and this guidance. When claiming cost reimbursement, the holder must certify that costs claimed comply with this guidance. Indirect costs based on approved Indirect Cost Allocation Rates (ICAR) should be reimbursed starting with 2002 permit fees. This advice for reimbursement of indirect costs is not retroactive to prior year permit fees.

For New Permits: Applicants must disclose accounting procedures and historic indirect cost allocation rates in response to a prospectus.

For Existing Permits: Holders must submit their ICAR to the authorized officer. Because the ICAR will be the same for all permits held by a specific company, it is recommended that the regional external auditor review and approve the rate. Regional auditors should coordinate the review for companies operating in more than one region.

/S/ TAMARA L. HANAN

/S/ DAVID G. HOLLAND

DAVID G. HOLLAND
Director, Recreation, Heritage,
and Wilderness Resources
cc: Carolyn Holbrook

TAMARA HANAN
Director, Financial Policy
and Analysis