

## **Background**

The US Forest Service (USFS) has three branches:

- 1) National Forest System (NFS)
- 2) Research & Development (R&D) - which Pacific Northwest Research Station is under
- 3) State & Private Forestry (S&PF).

All three branches have different Grants & Agreement groups and they all have different grants & agreements processes (although they are relatively similar), and authorities given to carry out the work. Under current USFS guidelines, the PNW CESU can be used only by the PNW Research Station. For example, the Rocky Mountain Research Station, which is another station under the R&D branch, cannot use the PNW CESU agreement and cannot process their agreements through the PNW Research Station. The Rocky Mountain Research Station, for example, has its own corresponding agreement with the Rocky Mountain CESU.

## **Indirect Costs**

In the PNW CESU cooperative agreement, paragraph C. 1. states that “the USFS cannot reimburse ‘state cooperative institutions’ for indirect costs, pursuant to 7 USC 3103(16) and 7 USC 3319. Indirect costs may be used to satisfy USFS cost-sharing minimum requirements of 20% of total project costs.” A state cooperative institution can be defined as a land grant institution, or an institution that receives McIntire Stennis funding.

Per 7 USC 3319, which is under the USDA authority National Agricultural Research Extension and Teaching Policy Act of 1977: “Funds made available by the Secretary under established Federal-State partnership arrangements to State cooperative institutions under the Acts referred to in section 3103(16) (1) of this title and funds made available under subsection (c)(1)(B) and subsection (d) of section 450i of this title shall not be subject to reduction for indirect costs or for tuition remission.” Basically this says that state cooperative institutions (as defined in Section 3103(16)) indirect costs and tuition remission will not be reimbursed under USFS partnership agreements.

7 USC 3103(16) The term ‘cooperating forestry schools’ means those institutions eligible to receive funds under the Act of October 10, 1962 (16 U.S.C. 582a et seq.), commonly known as the McIntire- Stennis Act of 1962. Furthermore this applies to other state cooperative institutions under such Acts as:

7 USC 3103 (17) The term ‘State cooperative institutions’ or ‘State cooperative agents’ means institutions or agents designated by -

(A) the Act of July 2, 1862 (7 U.S.C. 301 et seq.), commonly known as the First Morrill Act;

(B) the Act of August 30, 1890 (7 U.S.C. 321 et seq.), commonly known as the Second Morrill Act, including Tuskegee University;

(C) the Act of March 2, 1887 (7 U.S.C. 361a et seq.), commonly known as the Hatch Act of 1887;

(D) the Act of May 8, 1914 (7 U.S.C. 341 et seq.), commonly known as the Smith-Lever Act;

(E) the Act of October 10, 1962 (16 U.S.C. 582a et seq.), commonly known as the McIntire-Stennis Act of 1962; and

(F) subchapters V, VI, XI, and XII of this chapter.