To Whom It May Concern:

I am writing to explain the policy within The Nature Conservancy’s Washington Business Unit of applying a standing indirect cost for grants made to support scientific research. For such grants, the Washington Business Unit has a fixed indirect cost rate of no more than 10.5% of total direct expenses and for consistency across funding mechanisms we reserve the right to apply this rate to contracts. This rate is consistent with The Nature Conservancy’s Global Science Business Unit. We recognize that there are categories of cost that can be considered either direct or indirect depending on accounting practices and therefore it is the university’s responsibility to submit detailed proposal materials that allow us to identify expenses that are directly attributable to project outcomes as direct costs and expenses associated with the general running of the business as indirect costs.

The Washington Business Unit policy is effective March 1, 2020 and all new agreements from that date forward will be affected by this policy. We welcome partners to contact us if they have questions about this indirect cost policy.

Sincerely,

Mike Stevens
Washington State Director
Washington Business Unit