



**USAID**  
FROM THE AMERICAN PEOPLE

May 1, 2023

Subject: Notice of Disclosure of Negotiated Indirect Cost Rate Information

Dear Contractors and Recipients,

The purpose of this letter is to inform your organization of USAID's intent to comply with a [formal Congressional oversight request](#) from the House Foreign Affairs Committee (HFAC) received April 25, 2023. The HFAC has oversight jurisdiction over USAID and has requested that USAID provide the following Negotiated Indirect Cost Rate Agreement (NICRA) information for all organizations that have USAID as the cognizant federal agency by no later than May 16th, 2023, including:

- Documents sufficient to show all NICRA rates since January 21, 2021;
- All documents and communications referring or relating to NICRA rate negotiations, including but not limited to: all documents and communications with recipients of USAID funds exceeding the 10% de minimis rate for indirect costs since January 21, 2021.

USAID is currently working to comply with this request by the deadline provided. USAID will take all possible measures to protect this information via markings and disclosure arrangements agreed with the Committee.

*Context:* USAID works diligently to ensure the responsible stewardship of public funds, including as the cognizant agency responsible for the negotiation and oversight of NICRAs with more than 300 of our non-profit, small business, and commercial implementing partners. Similar to other federal agencies, USAID's policies and practices are driven by federal regulations and comply with all legal requirements associated with negotiating, reviewing, and revising NICRAs. The Agency works to ensure that recipient and contractor NICRAs are accurate and reasonable, in accordance with the applicable regulations (e.g., 2 CFR 200 "*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*", 48 CFR (FAR) Part 30 "*Cost Accounting Standards Administration*", FAR Part 31 "*Contract Cost Principles and Procedures*", and FAR Chapter 99 "*Cost Accounting Standards Board, Office of Federal Procurement Policy, Office of Management and Budget*").

In response to ongoing information requests, and the current formal inquiry, USAID has shared [written descriptions](#) and delivered [presentations](#) to an interested congressional office on its efforts to ensure prudent financial stewardship, to negotiate fair and reasonable NICRAs with implementing partners in accordance with federal regulation, and our commitment to responsibly protect partners' proprietary financial and operational information in accordance with the law and ethical business practices.

*For Further Information:* Please refer to the HFAC [press release](#) from April 25, 2023 for additional information.

Regards,

A handwritten signature in black ink, appearing to read 'M. A. Walther', with a stylized flourish at the end.

Mark A. Walther  
Director  
USAID Bureau for Management  
Office of Acquisition & Assistance