VA | U.S. Department of Veterans Affairs

CERTIFICATION OF DE MINIMIS INDIRECT COST RATE

Any non-Federal entity that does not have a current federally negotiated (including provisional) indirect cost rate, except those entities described in Appendix VII to 2 CFR Part 200, paragraph D.1.b, may elect to charge a de minimis rate. As of October 1, 2024 this rate is up to 15% of modified total direct costs (MTDC). The recipient or subrecipient is authorized to determine the appropriate rate up to this limit. The de minimis rate may be used throughout the grant period of performance. To charge a de minimis rate on its MTDC, the award recipient must submit this certification form to the Grant and Per Diem (GPD) Program Office through the electronic grants management system, eGMS.

I certify that _____ (name of entity receiving GPD award) elects to use up to the current approved de minimis rate per 2 CFR § 200.414f and meets the following eligibility criteria to use the de minimis indirect cost rate:

1. The award recipient has received less than $35 million in direct federal funding for the fiscal year requested.
2. The de minimis rate approved will be applied to the MTDC. This base includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and, as of October 1, 2024, up to the first $50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.
3. The project costs will be consistently charged as either indirect or direct and will not be double charged or inconsistently charged as both.
4. This methodology must be used consistently for all Federal awards until such time as the non-Federal entity chooses to negotiate for a rate.
5. The proper use and application of the de minimis rate is the responsibility of the award recipient. The awarding federal agency may perform a financial monitoring review to ensure compliance with 2 CFR Part 200.

SUBMITTED BY AUTHORIZED GRANTEE REPRESENTATIVE:

Printed Name: _____

Title: _____

Signature: _____

Date: _____

Revised 2 CFR Part 200 uniform guidance effective October 1, 2024:
-Raises de minimis from 10% up to 15%.
-Allows for MTDC to include subawards up to $50,000.