

**From:** [Brad Keitt](#)  
**To:** [Gerry\\_McChesney@fws.gov](mailto:Gerry_McChesney@fws.gov)  
**Subject:** SF 424s  
**Date:** 07/27/2010 05:01 PM

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Hi Gerry,

Here are the SF 424 and 424b filled out as per your recommendation. We did not put applicant contribution in the SF 424 because by the signature date we will have spent all or almost all of those funds. Our auditors would frown on this. However, in the text of the Agreement I added the sentences: Prior to the implementation of this agreement, Island Conservation has been working towards the shared common goal of implementing the proposed house mouse eradication on the Farallones. This work has been supported by Island Conservation in the amount of \$224,500.

In regards to the budget, the only thing I added is at the bottom of the budget. If we use the detailed budget we really need this language:

\*Island Conservation is authorized to vary expenses among budget categories, as long as the total budget is not exceeded.

\*Island Conservation is authorized to adjust overhead rate up or down as long as it does not exceed 20%.

These budgets are estimates. If they are in this agreement our auditors will review each line item and if we are over on salary but under on equipment they will ding us and say we can't bill that unless we get a specific exemption from you- this means a lot more work for us and you. We used this exact language on the San Nic contracts and it worked great for us and the council.

For the overhead: we charge actual overhead and it varies from quarter to quarter. Sometimes it can be 16%, sometimes 14%. In very rare cases it can go up to 18%. The average is 15%, but if we limit our rate to 15.7% as in the budget we cannot charge more than that in the chance it is more than that in any specific quarter. We will save all of us a lot of hassle if we include the above sentence on overhead.

Bradford S. Keitt  
Director of Conservation  
Island Conservation  
100 Shaffer Road LML

University of California  
Santa Cruz, CA 95060  
831.359.4787 ext. 107 office  
831.459.1476 fax  
831.420.7115 cell

[attachment "SEFI sf424 27 July 10.pdf" deleted by Gerry McChesney/SFBAY/R1/FWS/DOI]

[attachment "SEFI sf242b 27 July 10.pdf" deleted by Gerry McChesney/SFBAY/R1/FWS/DOI]

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