



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Washington DC, 20004



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Memorandum

To: Regional Directors

From: Acting Assistant Director, Ecological Services

Subject: Spill Response and Natural Resource Damage Assessment and Restoration Cost Recovery Rates for Reimbursable Agreements

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The U.S. Fish and Wildlife Service (Service) provides valuable assistance to the U.S. Coast Guard (USCG) and U.S. Environmental Protection Agency (EPA) in responding to oil spills and hazardous substance releases. Two forms of assistance are authorized via reimbursable agreements: Initiate Agreements (4806 account) for Natural Resource Damage Assessment and Restoration (NRDAR) and Pollution Removal Funding Authorizations (4807 account) for Spill Response. The Oil Pollution Act and Comprehensive Environmental Response, Compensation, and Liability Act, under which authority the NRDAR and Spill Response programs operate, are based on the “polluter pays principle,” with the goal of responsible parties paying the full cost (both direct and indirect) of responding to hazardous substance releases and oil spills and assessing and restoring injured natural resources and the services they provide.

In Fiscal Year (FY) 2025, the Service implemented the U.S. Department of Treasury’s G-Invoicing system for the management of intragovernmental buy/sell transactions. To comply with this mandate, we developed a standard methodology and process for assessing the NRDAR and Spill Response programmatic indirect rate for reimbursable agreements. As a result, the programmatic indirect costs will now be included upfront via a new standardized rate of 58%. This rate was calculated using FY2023 NRDAR and Spill Response financial information. The rate will be reviewed and updated as appropriate by the Ecological Services program every two years and published on the [NRDAR SharePoint site](#). The Service’s full indirect rate for reimbursable agreements will encompass the programmatic rate of 58%, along with the Service’s standard rate minus the regional program portion (i.e., 25% - 6% = 19%). The subtraction of the regional portion of the Service’s standard rate is compensated by the incorporation of a regional program-specific component of the 58% programmatic rate.

The flat indirect cost recovery rate breaks out as follows:

- 58% = NRDAR and Spill Response programmatic rate

- 19% = Service's standard rate, excluding the regional program portion
- 77% = Total Service's NRDAR/Spill Response rate

In addition, for NRDAR Initiate agreements, the Department of Interior's Office of Restoration and Damage Assessment will assess a separate indirect rate of 16.84% on labor charges.

The Service's Cost Estimating Tool will still be used to estimate direct costs for establishing a Pollution Removal Funding Authorization and Interagency Agreement. The Cost Documentation Tool has been updated to reflect a total Service indirect rate of 77% (as described above) and can be used to accurately estimate costs from the Service's Financial and Business Management System on a quarterly basis for submittal to either the USCG's National Pollution Fund Center or EPA. Currently, there are no changes to the process or methodology for non-reimbursable agreement NRDAR/Spill Response work.

This new standardized rate will be effective as of October 1st, 2025.

If you have any questions, please contact Melissa Foster, Branch Chief, Environmental Response and Restoration, via email or Teams at melissa_foster@fws.gov.