APPENDIX

To
SPECIAL TERMS AND CONDITIONS, PROVISION (X) → whatever the # turns out to be after making corrections to Special Terms and Conditions
REQUIREMENTS FOR CONTINGENCY FUNDS FOR INTEGRATED BIOREFINERY PROJECTS

TO DE-EE0002877 – Solazyme, Inc. Biorefinery Project

I. Background

Recipients of awards selected under Funding Opportunity Announcement DE-FOA-0000096 are required to provide an initial amount of Contingency funds equal to not less than 25 percent of the Total Project Cost (TPC), subject to the requirements and clarifications provided in this Appendix. TPC includes the approved combined Federal and Recipient cost share funding amounts to accomplish the approved scope in the Statement of Project Objectives that are allowable, reasonable and allocable to the project in accordance with 10 Code of Federal Regulations (CFR) 600.317.

II. Definition

For the purposes of this award, **Contingency** is defined as follows:

A provision in the project management plan to mitigate cost and /or schedule risk (Project Management Body of Knowledge, Third Edition).

III. Requirements

A. Purpose

The Recipient may expend Contingency funds solely for the purpose of mitigating risks to the cost and/or schedule associated with the project performance baseline and consistent with the Risk Mitigation or Management Plan (RMP) and Risk Register. Schedule risks ultimately would be reflected as cost overruns. It is expected that those risks will either be: a) performance baseline schedule and/or cost risks that are identified in the RMP and Risk Register (known risks or opportunities); or, b) to mitigate unknown performance baseline risks or uncertainties that become incorporated into the RMP and Risk Register as they are discovered.

B. Framework and Criteria

1. The framework that governs the use of Contingency funds on the project authorized under this award relies on the Recipient to manage and control project performance baseline risks, opportunities and uncertainties utilizing the most recent, change-controlled performance baseline, Risk RMP and Risk Register. As risks are successfully mitigated throughout the duration of the project, the need for contingency is anticipated to decline. At the point when the performance test has been completed, the number and magnitude of risks and the available project and Contingency funds will need to be evaluated prior to DOE's Critical Decision 4 – Approval of Operations.

PMC 120.1
(12/09)

U.S. DEPARTMENT OF ENERGY
GOLDEN FIELD OFFICE

FINANCIAL ASSISTANCE COMBINED COST/TECHNICAL EVALUATION AND NEGOTIATION MEMORANDUM

SECTION I - GENERAL INFORMATION

This technical evaluation/negotiation memorandum will be prepared jointly by the assigned DOE/Golden OCPM AND OAFA personnel, to document the specific action being evaluated and supported. Each office is responsible for certain sections of this document. The assigned OCPM and OAFA personnel responsible for the action will both sign this document upon its completion, demonstrating their agreement on its contents.

1. Recipient: Solazyme, Inc.

2. Grant/Cooperative Agreement No.: DE-EE0002877 Modification No. 001
   Requisition No: 10EE003271
   Project Title: Recovery Act - Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae

3. Type of Action: ☐ New Award ☐ Renewal ☐ Continuation ☒ Revision

Description of this Action: (NOTE: Indicate what is addressed by this Action only):

Recovery Act -

The purpose of this action is to lift the conditions on the Ex 4 be used in Budget Period 1 of the award for Solazyme, Inc. for the project entitled "Solazyme Integrated Biorefinery (SzIBR): Diesel Fuels from Heterotrophic Algae." It also approves the scope and budget for Budget Period 1. Please note in the dates below that there may be a third budget period (to be decided in BP2); hence the difference between the Budget Period 2 end date and the project Period end date.

4. Award type, as determined at Procurement Strategy Meeting (for new awards): ☐ Grant ☒ Cooperative Agreement

If Cooperative Agreement, provide the specifics of the Substantial Involvement. (Note: This language will be used in the Substantial Involvement provision of the award.):

1. Government Insight

   In order to adequately monitor project progress and provide technical direction and/or redirection to the Recipient, DOE must be provided an adequate level of insight into various Recipient activities. Government Insight activities by DOE include attendance at Recipient meetings, reviews and tests, as well as access for DOE's consultants to perform independent evaluations of Recipient's plans and processes. Recipient shall notify the DOE Project Officer of meetings, reviews, and tests in sufficient time to permit DOE participation, and provide all appropriate documentation for DOE review.

2. Specific activities to be conducted by DOE:

   a. Risk Evaluation – DOE will review the Recipient's initial Risk Mitigation Plan (RMP) for quality and completeness. DOE will also monitor updates to the RMP and actions taken by the Recipient during the performance of its award to mitigate risks and improve the probability of successful execution of the integrated Biorefinery project. At DOE's discretion, additional independent risk analyses of the project by DOE consultants may be requested.

   b. Independent Engineering Assessments – DOE will engage a private, independent engineering (IE) firm to assist in assessing the progress of the project and provide timely and accurate reports to DOE. The Recipient will ensure that the IE has access to any and all relevant documentation sufficient to allow the IE to provide independent evaluations to DOE on the progress of the project. Such documentation includes but is not limited to the following:

      - Drawings and specifications
      - Construction and Execution plans

- Resource loaded schedules
- Design functions and requirements for the site final design review
- Risk management plans
- Value management and engineering studies and/or plans
- Acquisition strategies
- Project execution plans
- Project controls including earned value management systems
- Qualifications of the integrated project team.
- Financial strategy for funding the construction project
- Updated marketing and business plan
- Invoices submitted to DOE

DOE will evaluate the quality and completeness of information and documentation provided by the Recipient to DOE and its consultants in order to allow DOE to provide technical direction and/or redirection to the Recipient about how best to achieve the purposes of the award. Consultants to DOE may not provide technical direction and/or redirection to the Recipient.

5. New/Revised Project Period for this Award: From: ~~01/28/2010~~ To: 03/31/2013
   New/Revised Budget Period 1 for this Award: From: 01/28/2010 To: 09/30/2010
   New/Revised Budget Period 2 for this Award: From: ~~TBD~~ 10/01/2010 To: TBD

6. Compliance Assessment (skip if new award):
   a. Deliverables
      The Recipient is current in submitting required reports: ☒ Yes ☐ No
      If no, identify the delinquent report(s), indicate what action(s) have been taken to remedy the situation, and identify what further action(s) are necessary, if any:

The original award was fully conditional; therefore, there were no reporting requirements aside from RA reporting, of which the first report is due after the end of this quarter.

   b. Financial
      The Recipient is current in meeting the cost share requirement: ☐ Yes ☐ No
      If no, indicate what action(s) have been taken to remedy the situation and validate why this new action should proceed:

N/A – the original award was fully conditional.

7. Check the applicable box for Funding Appropriation:
   ☒ Energy and Water ☐ Other _____

8. Check the applicable box for Statutory Authority:
   ☒ 109-58, Energy Policy Act 2005
   ☒ 110-140, Energy Independence and Security Act 2007
   ☒ ARRA
   ☐ Other: _____

9. Per 10 CFR 600, the preferred payment method for State/Local Governments, Institutions of Higher Education, Hospitals, or Other Non-Profit Organizations is **Advance**. The preferred Payment Method for For-Profit organizations is **Reimbursement**. Please state the payment method that will be used for this award in the box below. If the preferred payment method is not planned for a new award, provide an explanation below. Also, explain below if the payment method for the award is being changed by this action. If the ACH or the "ASAP Approval Required" payment methods is required, include an explanation for the restriction.

The recipient is receiving ARRA funds and will ~~be placed~~ continue to be on the ACH payment method to monitor their funds to ensure costs outside of Budget Period 1 are not charged to the award.

10. Is the proposed Recipient on the debarred or suspended list? Yes ☐ No ☒
    Are any of the proposed subrecipients/subcontractors on the debarred or suspended list? Yes ☐ No ☒
    Is the Project Director on the debarred or suspended list? Yes ☐ No ☒
    If yes for either response above, award cannot be made without obtaining a waiver. See attached waiver.
    The review was conducted on the Internet on 03/15/2010 (Include Printout in permanent STRIPES file)

11. A risk determination has been completed on the PMC Form 460.2 Yes ☒ N/A ☐

12. Negotiation:

	Government Negotiator(s)		Recipient Negotiator(s)	
	Name	Organization	Name	Position
1.	Melissa Wise	DOE – Contracting Officer	David Brinkmann	VP Manufacturing (PI)
2.	Molly Hames	DOE – Contract Specialist		
3.	Christy Sterner	DOE – Project Officer	Dr. Anthony Day	VP R&D
4.	Chris Lindeman	Navarro – Project Engineer	Gypsy Achong	Project Manager

SECTION II – NEGOTIATION SUMMARY

1. Please record any significant application or budget submissions that resulted in a revised budget in the Negotiation History Table below (including SF424A, budget justifications, e-mails, etc.):

Application/Budget Submission	Reference Document (s)	Date of Submission	Summary of Change
Original		7/8/2009	
Revision 1	SF 424A; PMC 123.1	1/20/2010	Updated SF-424a and PMC 123.1 to reflect Solazyme EX 4 20% cost share
Revision 2	SF 424A; PMC 123.1	3/2/2010	← Updated to reflect shifting some tasks
Revision 3 - final	SF 424A; PMC 123.1	3/3/2010	Updated and finalized after correcting small error

2. Complete Budget Table below (only include the original budget and final negotiated costs – the Percent of Total Negotiated Budget will calculate automatically)
Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Original Budget Submission	Final Negotiated Costs	Percent of Total Negotiated Budget	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
Personnel					
Fringe Benefits					
Travel					
Equipment					
Supplies					
Contractual					
Construction					
Other					
Total Direct Charges					
Indirect Charges					
TOTAL					
Program Income					
DOE Share (non-FFRDC)					
DOE Share (FFRDC)					
Total DOE Share					
Non-Federal Cost Share					

REDACTED
EXEMPTION 4

SEE ATTACHED SF 424A FOR BUDGET PERIOD BREAKDOWN

3. Total Allowable Adjustment without Concurrence from the Selection Official per the Selection Statement: ___

Actual Total Adjustment based on Budget Table Above: _ REDACTED EXEMPTION 4

*Total Budget (not Budget Period 1) has not changed other than adding the required cost share per the Selection Statement.

Is the original budget the same as the negotiated budget: ☐ Yes ☒ No

If No, please check all boxes that apply:

☒ Change in the Project Scope

Original scope did not have any detailed engineering/design work in BP1; these engineering/design tasks were shifted from BP2 in original application to BP1 in current negotiated BP1 scope. Also, preliminary testing of one of the Subcontractor's lignocellulosic sugar stream was moved from BP1 to BP2.

☐ Changes due to Time Delays

☒ Math Errors in Budget (Final revision on 3/3/2010 was due to a minor math error.)

☐ Changes in Indirect/Fringe Costs Caused Changes in Direct Costs or Total Project Costs

☐ Indirect/Fringe Rates incorrectly applied

☒ Other (explain) Original application cost share; selected on condition of achieving Solazyme r contribution $5.4 to reach the cost share requirement while maintaining the same level of DOE funding. REDACTED EXEMPTION 4

4. Briefly describe and explain any substantial change(s) to the original Statement of Project Objectives submitted by the recipient:

Project Officer commentary: SOPO was not submitted in original application. However, as noted above, the original BP1 effort included performing preliminary evaluations on _ This effort has been moved to BP2. REDACTED EXEMPTION 4

SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:

Total Negotiated Personnel Costs: EX 4 | Not Applicable, the recipient did not propose Personnel costs: ☐

Project Officer:

The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☒

The types of labor and labor mix proposed in the negotiated budget is reasonable: ☒

The proposed labor rates are reasonable: ☒

The proposed rates appear reasonable based on the activities being performed in BP1, the staff/positions listed as participating in the activities, and the distribution of hours assigned to each activity and position.

Specialist:

Please fill out the following table with the negotiated costs:

Labor Type	Budget Period 1		
	Hours	Rate	Total
Project Manager			
Project Manager			
Sr. Dir. Prog. Mgmt & Logistics			
Dir. Bus. Develop.			
VP Manufacturing			
VP R&D			
SVP R&D			
Sr. Mgr. Ferment.			
SVP Manufact. & Proc. Develop.			
Mgr. Downstream Proc. Develop.			
Proc. Develop. Eng.			
Dir. Of Ops.			
Ops. Mgr.			
Total:			

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative Process)

Negotiated labor rates are reasonable: ☒

REDACTED
EXEMPTION 4

Please detail the basis for the reasonable determination: The negotiated personnel costs are necessary and reasonable for the activities involved in budget period 1 of the award. The personnel are all comparable to labor rates in the area based upon www.salary.com and the department of labor rates.

6. Contractual:

Total Negotiated Contractual Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Contractual costs: ☐

Project Officer:

The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☒

The contractual costs proposed in the negotiated budget are reasonable: ☒ Yes

Please fill out the following table with the negotiated costs:

Subrecipient/ Vendor Name	BP 1 Cost	BP 2 Cost	Total Cost	Role in Project (Identify SOPO Tasks)

REDACTED
EXEMPTION 4

All subrecipients are expected to have scopes and budgets in BP2 that exceed the $250,000 threshold for separate evaluation.

Solazyme is preparing to send a request for proposals to REDACTED EXEMPTION 4 This is a reasonable amount for such work, and as soon as the contract is completed Solazyme intends to submit it to DOE.

Did the Recipient propose any subrecipients with total costs above $250,000? ☐ Yes ☒ No (If Yes, a separate Technical Evaluation/Negotiation Memorandum is required for each subrecipient/vendor – see below)

☒ Specialist concurs: The proposed contractual and vendor costs are necessary for budget period 1 activities and they are reasonable. The appropriate documentation has been received for each.

7. Construction:

Total Negotiated Construction Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Construction costs: ☒

Project Officer: Please note that the SF 424A included the EPC Contractual costs under the 'Construction' budget category. These are contractual costs and have been moved to the 'Contractual' budget category.

The type of construction proposed in the negotiated budget is appropriate for the scope of work: ☒

The construction costs proposed in the negotiated budget are reasonable: ☒

☒ Specialist concurs.

8. Other Direct Costs:

Total Negotiated Other Direct Costs: $0	Not Applicable, the recipient did not propose Other Direct costs: ☒

Project Officer:

The types of other direct costs proposed in the negotiated budget are reasonable for the scope of work: ☒

The costs proposed in the negotiated budget for other direct costs are reasonable for the scope of work: ☒

Check to be consistent

☒ Specialist concurs.

9. Indirect Charges:

Total Negotiated Indirect Costs: REDACTED EXEMPTION 4	Not Applicable, the recipient did not propose Indirect Costs: ☐

Specialist:

Does the Recipient have an approved rate agreement: ☐ Yes ☒ No

If Yes, List the Date of Rate Agreement: _____

Cite Federal Cognizant Agency: _____

If No, select one of the following:

☐ Rate proposal was reviewed by the Cost/Price Analyst and found to be reasonable, allowable, and allocable (attach Cost/Price Analyst Determination)

☐ Rate Proposal was reviewed by the Cost/Price Analyst for a previous award (attach Cost/Price Analyst Determination)

List Date of review:

☐ Specialist determined that rate was reasonable

☒ Other: **Due to time constraints, the "Reopener Clause" will be placed into the Special Terms and Conditions of the award. These costs will be addressed and approved at a later date.**

The indirect costs proposed in the negotiated budget were appropriately applied and are reasonable: ☐

10. Cost Share:

Project Officer:

Project is a: ☒ Research ☒ Development ☐ Demonstration ☐ Other: Pilot Plant

The minimum recipient's cost share required for this award is: 20%

The recipient proposed cost share for this award is: 20%

Does the proposed cost share meet the minimum requirement: ☒ Yes ☐ No

Specialist:

Is the proposed cost share: ☒ Cash ☐ In-kind (detail the amount and category below for in-kind cost share, if applicable)

	Organization	Type of Cost Share (cash or in-kind)	Cost Share Amount	Basis of Value (how the recipient calculated value)
			REDACTED EXEMPTION 4	
Total				

Third Party cost share commitment letters have been obtained: ☒ (Please include letters in permanent STRIPES file)

B. The following Project Officer and Specialist evaluation and negotiation commentary and recommendations address their agreement on all additional considerations for this award.

1. Please list any other special provisions agreed upon for inclusion in this award and describe the rationale for their inclusion below.

This recipient is receiving ARRA funds, and the Davis Bacon Act applies; therefore, the application clauses have been included in the award. The indirect rates have not been negotiated for the prime and the "re-opener" clause has been added to the Special Terms and Conditions of the award, so that we may address these at a later date. A Statement of Substantial Involvement clause, "Big C" continuation of funding clause, Conditional Availability of Funds clause (Budget Period 2), a crafted NEPA clause, Subcontractor Approval clause, and Contingency clause have also been included in the special terms and conditions of this award, due to the holds on budget period 2 for the prime and subrecipients.

2. If a negotiation strategy, or strategies, is/are specified in the selection statement, provide a discussion below of how this was addressed and resolved.

Solazyme cost share from 20%, per the selection statement. Solazyme cost share to 20%.

REDACTED
EXEMPTION 4

3. Any other comments or concerns of the Project Officer and/or Specialist for this award, and the recommended approach to mitigating them, will be explained and addressed below.

The forthcoming evaluation for the BP2 scope and activities will include subrecipients with budgets above the $250,000 threshold for additional evaluation. These additional evaluations will be addressed at that time.

The Project Officer has determined, based on the SOPO and certification from the Recipient that the tasks within BP1 are consistent with those categorically excluded from additional NEPA review under the Blanket CX, particularly CX A.9. Task B.3 in the SOPO titled, 'Prepare Manufacturing Site'

REDACTED
EXEMPTION 4

4. Is this a Recovery Act award? ☒ Yes ☐ No

- If Yes, does the Buy American Act apply (see applicability below)? ☐ Yes ☒ No
- If Yes, does Davis Bacon Act apply (see applicability below)? ☒ Yes ☐ No

If the answer to either the Buy American Act or Davis Bacon Act questions is Yes, provide a short discussion below on: 1) the type of entity; 2) what applies; Davis Bacon, Buy American, or both; 3) whether it applies to the prime, subrecipient, or both; and 4) work to be performed that requires applicability of Buy American and/or Davis Bacon.

Solazyme, their subrecipients, contractors, vendors, and other entities involved in this project will comply with Davis Bacon Act requirements where those requirements are applicable for this project. The Davis Bacon Act will apply to Budget Period 2. Neither the Recipient not its subcontractors will be constructing, altering, or repairing anything in Budget Period 1.

PMC 128.1
08-18-2009

U.S. Department of Energy
Project Management Center

FINANCIAL ASSISTANCE AWARD
INDEX and CHECKLIST
(BUYER USE ONLY)

Award #: DE-EE0002877 / 001 - Approve Budget Period 1
Recipient Name: Solazyme, Inc.
FOA #: DE-FOA-0000096
Specialist: Molly Hames
Contracting Officer: Melissa Wise
Project Officer: Christy Sterner

Program: The Office of the Biomass Program
Phone: 303-275-4864
Phone: 303-275-4907
Phone: 303-275-4720

Action Item	*Indicate Completion of Action Item by inserting a date in the applicable box below*	
1	Verify Recipient's registration with the Central Contractor Registration (CCR) (http://www.ccr.gov)	CCR Registration Valid through: 01/14/2011
2	Verify Recipient's registration with FedConnect (goto P:\STRIPES\Fedconnect Reports)	Registration Confirmed on: 03/15/2010
3	ASAP Enrollment; if Recipient is not enrolled in ASAP, send .pdf of completed PMC 121.1 to 'GO Finance' mailbox	PMC 121.1 sent to 'GO Finance' on: N/A
4	Vendor Supplier/Site Information Form; send completed PMC 128.8 to 'GO Finance' mailbox (MS 2007)	Vendor Supplier/Site Information Form sent to 'GO Finance' on: N/A

STRIPES Index #	Supporting Document		Form #	applicable	not applicable	Supporting Document Naming Convention	pdf required
AWD-001	Award Index and Checklist		PMC 128.1	X		**AWD-001 AWDChecklist**	
AWD-002	Selection Statement		n/a		X	**AWD-002 SelStat**	.pdf
AWD-003	Determination of Non-Competitive Financial Assistance (DNFA) Documentation (include Request for Review PMC.112.2)		PMC 109.x		X	**AWD-003 DNFADocs**	batch .pdf
AWD-004	HCA Approval (Total Project Value greater than $25M and less than $50M) (include Request for Review PMC.112.2)		n/a	X		**AWD-004 HCAApvl**	.pdf
AWD-005	HQ Business Clearance Documentation (Total Project Value greater than or equal to $50M)						
	AWD-005a	HQ Business Clearance Worksheet	PMC 107.1	X		**AWD-005 HQBusClrDocs**	batch .pdf
	AWD-005b	HQ Business Clearance Transmittal Letter(s)	PMC 107.4	X			
	AWD-005c	HQ Business Clearance; Correspondence received from HQ	n/a	X			
AWD-006	Congressional Affairs Notification		DOE F 4220.10		X	**AWD-006CongNotification**	.pdf
AWD-007	Successful Application Documentation (Prime) - Solazyme, Inc.						
	AWD-007a	Application for Federal Assistance	SF-424	X		**AWD-007a AppDocsPrime (Solazyme)**	batch .pdf
		SF-424A Budget Information	SF-424A	X			
		Budget Justification	PMC 123.1	X			
		Disclosure of Lobbying Activities	SF-LLL		X		
		Cost Share Commitment Ltrs from Third Parties	n/a	X			
	Successful Application Documentation (Sub #1) Abengoa						
	AWD-007b	SF-424A Budget Information	SF-424A		X	**AWD-007b AppDocsSub[Abengoa]**	batch .pdf
		Budget Justification	PMC 123.1		X		
	Successful Application Documentation (Sub #2) BlueFire						
	AWD-007c	SF-424A Budget Information	SF-424A	X		**AWD-007c AppDocsSub[BlueFire]**	batch .pdf
		Budget Justification	PMC 123.1		X		
	Successful Application Documentation (Sub #3) Cherokee Pharmaceuticals (CP)						
	AWD-007d	SF-424A Budget Information	SF-424A	X		**AWD-007d AppDocsSub[CP]**	batch .pdf
		Budget Justification	PMC 123.1		X		
	Successful Application Documentation (Sub #4) UOP						
	AWD-007e	SF-424A Budget Information	SF-424A	X		**AWD-007e AppDocsSub[UOP]**	batch .pdf
		Budget Justification	PMC 123.1		X		

Did not see under tab 7. ?

STRIPES Index #	Supporting Document		Form #	applicable	not applicable	Supporting Document Naming Convention	pdf required
AWD-008	National Environmental Policy Act (NEPA) Documentation						
	AWD-008a	NEPA Checklist	EF-1		X	AWD-008 NEPADocs	batch .pdf
	AWD-008b	NEPA Review	EF-2		X		
	AWD-008c	NEPA Determination	EF-2a	X	~~X~~		
	AWD-008d	Blanket A9 CX for ARRA IBR BP1	e-mail	X			
AWD-009	Pre-Award Information Sheet		PMC 121.1	X		AWD-009 PreAwardInfo	.pdf
AWD-010	Dun&Bradstreet Risk Assessment		PMC 460.2		X	AWD-010 D&BAssessment	.pdf
AWD-011	Combined Technical Evaluation / Negotiation Memorandum		PMC 120.2	X		AWD-011 TechEvalNegMem	.pdf
AWD-012	Intellectual Property Law Division (IPLD) Documentation						
	AWD-012a	IPLD Petition for Advance Waiver of Patent Rights	PMC 133.2		X	AWD-012 IPLDDocs	batch .pdf
	AWD-012b	IPLD Pre-Award Review Request	PMC 133.3	X			
	AWD-012c	IPLD Recommendation	e-mail	X			
AWD-013	Cost Share Determination Documentation						
	AWD-013a	Cost Share Determination	PMC 112.2		X	AWD-013a CostShareDet	.pdf
	AWD-013b	Cost Share Waiver	PMC 142.2		X	AWD-013b CostShareWaiver	.p
AWD-014	Cost / Price Documentation						
	AWD-014a	Financial Information	PMC 410.1		X	AWD-014 CostPriceDocs	batch .pdf
	AWD-014b	Indirect Rate Agreement or Rate Proposal	n/a		X		
	AWD-014c	Response from C/P Analyst regarding Indirect Rates	PMC 420.3		X		
AWD-015	Excluded Parties List System (EPLS) Query (https://www.epls.gov)		n/a	X		AWD-015 EPLS	
AWD-016	Pre-Award Cost Request and Authorization		n/a		X	AWD-016 PreAwdCostAuth	.pdf
AWD-017	Justification for Use of Conditional Availability of Funds Provision		PMC 132.2		X	AWD-017 JustificationCondAvail	.pdf
AWD-018	Correspondence to Recipients (use this section for correspondence not issued at FOA level)						
	AWD-018a	Correspondence		X		AWD-018a Correspondence	batch .pdf
AWD-019	Internal Review(s)						
	AWD-019a	Request for Review (Review of Award Package)	PMC 112.2	X		AWD-019a RvwAwdPkg	.pdf
	AWD-019b	~~Division Director Review~~ HCA Approval and HQ Business Clearance	n/a	X		AWD-019b DDRvw	.pdf
AWD-020	Deviations		n/a		X	AWD-020 Deviations	.pdf
Cover Page	Assistance Agreement Form		n/a	X			
Body	Special Terms and Conditions		n/a	X			
Attachment 1	Intellectual Property Provisions		n/a	X			
Attachment 2	Statement of Project Objectives		n/a	X			
Attachment 3	Federal Assistance Reporting Checklist and Instructions		DOE F 4600.2	X			
Attachment 4	Budget Information		n/a	X			
Attachment 5	Contingency ~~Provision~~ Appendix		n/a	X			

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE	OF
	DE-EE0002877/001	2	3

NAME OF OFFEROR OR CONTRACTOR

SOLAZYME, INC.

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	DUNS Number: 145862012 The administrative office (administrative contracting activity) for this award/modification/amendment is 03601 (administrative contracting activity) from STRIPES. The administrative office (administrative contracting activity) code is needed by the contractor/recipient for reporting to FederalReporting.gov concerning awards made with funding from the American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act). The purposes of this modification are to: 1) Delete and replace the Special Terms and Conditions; 2) Add the Intellectual Property Provisions, CDSB-1003 (Attachment 1); 3) Add the Statement of Project Objectives (Attachment 2); 4) Add the Federal Assistance Reporting Checklist and Instructions, DOE F 4600.2 (Attachment 3); 5) Add the Budget Information, SF-424A (Attachment 4); 6) Add the Requirements For Contingency Funds for Integrated Biorefinery Projects, Appendix (Attachment 5); and 7) ~~This modification approved only Budget Period 1 of the project~~. Change the Recipient Business Officer, as noted below. All other terms and conditions remain unchanged. In Block 7 of the Assistance Agreement, the Period of Performance reflects the beginning of the Project Period through the end of the current Budget Period, shown as 01/28/2010 through 09/30/2010. For multiple Budget Periods, see Special Terms and Conditions, Provision 4, "Award Project Period and Budget Periods." Continued ...				

Hames, Molly

From: Wise, Melissa
Sent: Monday, March 22, 2010 1:05 PM
To: DL OAFA RE Financial Assistance Div Biomass Program
Subject: Legal Review of IBR Awards: 3/31

Importance: High

Hi Team,

I believe Mike mentioned at last week's team meeting that only one, representative IBR award would go forward for Legal, Division Director, HCA, and HQ Business Clearance Reviews. That one IBR award is Archer Daniels Midland.

Here are comments back from Legal Review that should be included in your IBR awards:

REDACTED
EXEMPTION 5
(Attorney/Client privilege)
(Deliberative process)

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office

Hames, Molly

From: Wise, Melissa
Sent: Friday, March 26, 2010 9:49 AM
To: DL OAFA RE Financial Assistance Div Biomass Program
Cc: Barron, Matt; Harris, Jamie; Craig, Kevin
Subject: FW: HQ Business Clearance Review and Approval of Special Terms and Conditions for Biorefinery Award Modifications

Importance: High

Hi Team,

The e-mail below serves as HQ Business Clearance Approval to proceed with our IBR awards for 3/31. Please include this e-mail under AWD-019.

After speaking with Steve, he could not offer a better title to our "Contingency" provision. He, therefore, recommended we proceed accordingly given the 3/31 deadline.

Please let me know if you have any questions.

Thanks,
Melissa

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office

-----Original Message-----
From: Jones, Steven [mailto:Steven.Jones@hq.doe.gov]
Sent: Friday, March 26, 2010 8:56 AM
To: Wise, Melissa
Cc: Leotta, David (Hq)
Subject: RE: HQ Business Clearance Review and Approval of Special Terms and Conditions for Biorefinery Award Modifications

Melissa,

REDACTED
EXEMPTION 5
(Deliberative process)

Steven C. Jones
Procurement Analyst
MA-621
U.S. Department of Energy
Phone Number: 202-287-1474
FAX Number: 202-287-1445

REDACTED

FOIA EXEMPTION 4

Subject: FW: HQ Business Clearance Review and Approval of Special Terms and Conditions for Biorefinery Award Modifications

Melissa,

Based on our conversation, it is my understanding that the T&C's will be the same for all twelve awards. Please submit the first one for our review and we'll look at that one. If you have any questions please give me a call. Thanks.

Steven C. Jones
Procurement Analyst
MA-621
U.S. Department of Energy
Phone Number: 202-287-1474
FAX Number: 202-287-1445

-----Original Message-----
From: Wise, Melissa [mailto:melissa.wise@go.doe.gov]
Sent: Monday, March 15, 2010 10:33 AM
To: Jones, Steven
Cc: Schledorn, Michael
Subject: HQ Business Clearance Review and Approval of Special Terms and Conditions for Biorefinery Award Modifications

Hi Steve,

REDACTED
EXEMPTION 5
(Deliberative process)

Thanks,
Melissa

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office

Hames, Molly

From: Wise, Melissa
Sent: Thursday, March 25, 2010 4:04 PM
To: DL OAFA RE Financial Assistance Div Biomass Program
Subject: HCA Approval for IBR Awards
Attachments: HCA Approval.pdf

Importance: High

Hi Team,

Here is the signed Action Memo from our HCA, Scott Hine, that approves our IBR awards. Please include this Memo under AWD-019.

I will forward HQ Business Clearance Approval as soon as I receive it.

Thanks!

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office

March 23, 2010

MEMORANDUM FOR: SCOTT HINE
HEAD OF CONTRACTING ACTIVITY
GOLDEN FIELD OFFICE

THROUGH: MATTHEW A. BARRON
FINANCIAL ASSISTANCE DIRECTOR
OFFICE OF ACQUISITION AND FINANCIAL ASSISTANCE

FROM: JAMIE HARRIS
ASSISTANT MANAGER
OFFICE OF ACQUISITION AND FINANCIAL ASSISTANCE

SUBJECT ACTION: REQUEST FOR HCA REVIEW AND APPROVAL OF FINANCIAL ASSISTANCE AWARDS EXCEEDING $25 MILLION, FUNDED THROUGH "RECOVERY ACT: DEMONSTRATION OF INTEGRATED BIOREFINERY OPERATIONS" (DE-FOA-0000096)

ISSUE: In accordance with the Memo from Rita L. Wells dated December 29, 2009, regarding the "Review and Approval of Financial Assistance Awards Exceeding $25 Million, Funded through the American Recovery and Reinvestment Act of 2009 (ARRA)," the HCA reserves the right to further exercise delegated authority to approve the individual award terms and conditions upon successful completion of award definitization.

BACKGROUND: The following conditional awards under DE-FOA-0000096, "Recovery Act: Demonstration of Integrated Biorefinery Operations" were granted HCA Approval:

- Algenol Biofuels, Inc. DE-EE0002867
- Amyris Biotechnologies, Inc. DE-EE0002869
- Archer Daniels Midland DE-EE0002870
- ClearFuels Technology, Inc. DE-EE0002871
- Haldor Topsoe, Inc. DE-EE0002874
- Solazyme, Inc. DE-EE0002877
- BioEnergy International, LLC DE-EE0002878
- LOGOS TECHNOLOGIES, INC. DE-EE0002881
- Enerkem Corp. DE-EE0002882
- INEOS New Planet BioEnergy, LLC DE-EE0002883

The awards listed above have successfully completed award definitization, and the individual award terms and conditions are now available for your review and approval.

As all awards listed above are substantially the same in award construction and preparation, to include the Special Terms and Conditions and Intellectual Property Provisions, Archer Daniels Midland, DE-EE0002870, has been selected to serve as the representative file for the purpose of complying with the requirement for HCA approval.

SENSITIVIES: These award modifications lift conditions on current ARRA awards, thereby releasing obligated funds and reducing uncosted balances.

POLICY IMPACT: None.

URGENCY: The anticipated issue date of these award modifications is March 31, 2010.

RECOMMENDATION: Receipt of HCA review and approval by March 26, 2010.

APPROVED: _____ DATE: 3/25/10

Scott E. Hine
Head of Contracting Activity
for the Golden Field Office

Department of Energy
Golden Field Office
1617 Cole Boulevard
Golden, Colorado 80401-3393

December 23, 2009

MEMORANDUM FOR MATTHEW A. BARRON
DIRECTOR
FINANCIAL ASSISTANCE (RE)

IBR Awards

JAMES P. DAMM
DIRECTOR
FINANCIAL ASSISTANCE (EE)

FROM: RITA L. WELLS
HEAD OF CONTRACTING ACTIVITY (HCA)
GOLDEN FIELD OFFICE

SUBJECT: Review and Approval of Financial Assistance Awards Exceeding $25 Million, Funded through the American Recovery and Reinvestment Act of 2009 (ARRA)

In accordance with the delegated authorities set forth in paragraph 2(A)(ii) of the memorandum dated September 19, 2008, from Edward R. Simpson, Director, Office of Procurement Assistance Management, Subject: Delegation of Authority/Designation as Head of Contracting Activity (HCA) for the Golden Field Office, this Memorandum constitutes HCA review of each conditional award identified in Attachment A that has a total project value exceeding $25 million, and HCA approval of each conditional award with a total project value exceeding $25 million but less than $50 million.

More specifically, this Memorandum constitutes HCA preliminary review and approval of all conditional ARRA financial assistance awards with total project budgets greater than $25 million, scheduled for award by the Golden Field Office on or before January 31, 2010. The conditional nature of these awards is necessitated as a result of unprecedented exigencies dictated by the ARRA. By making these awards on a fully conditional basis, recipient access to ARRA funding will be restricted until such time as the award is fully negotiated. Non-tailored, standard terms and conditions will be incorporated at this time into each of the awards identified on Attachment A. As HCA, I reserve the right to further exercise my delegated authority to approve each of the conditional awards identified on Attachment A, with total project budgets greater than $25 million but less than $50 million, at such time as individual award terms and conditions are fully and successfully negotiated between the Golden Field Office and the recipients, and award definitization is complete.

Federal Recycling Program Printed on Recycled Paper

Attachment A-Recovery Act Awards Scheduled through January 31, 2010 with Total Project Costs > 25 million

Program	Description	Recipient	Federal Share	Cost Share	Award Status
Biomass	Modify Integrated Biorefinery Solicitation	Bluefire	$81,200,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Enerkem Corporation	$50,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	INEOS New Planet BioEnergy,LLC	$50,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Sapphire Energy, Inc	$50,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Amyris Biotechnologies, Inc.	$25,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	HALDOR TOPSOE, INC.	$25,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	UOP LLC	$25,000,000		Conditional
Water	Hydroelectric Modernization	Alcoa	$13,000,000		Conditional
Wind	Large Dynamometer Testing Facility	Clemson University	$44,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Algenol Biofuels Inc.	$25,000,000	REDACTED EXEMPTION 4	Conditional
Biomass	Modify Integrated Biorefinery Solicitation	LOGOS TECHNOLOGIES, INC.	$20,455,849		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Archer Daniels Midland	$24,834,592		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	American Process Inc.	$17,944,902		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	BioEnergy International, LLC	$50,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Clearfuels Technology Inc	$23,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	ICM, Inc.	$25,000,000		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Renewable Energy Institute International	$19,980,930		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	Solazyme, Inc.	$21,765,738		Conditional
Biomass	Modify Integrated Biorefinery Solicitation	ZeaChem Inc.	$25,000,000		Conditional
Geothermal	Enhanced Geothermal Systems	Naknek Electric	$12,376,568		Conditional

PMC 138.1
12/05

U.S. Department of Energy

Memorandum To File

DATE: **March 22, 2010**

FROM: Melissa Wise MW

SUBJECT: Modifications to Awards under DE-FOA-0000096, "Recovery Act: Demonstration of Integrated Biorefinery Operations"

Attached is a copy of the Request for Review, PMC 112.2, which was completed for DE-EE0002870/001, Archer Daniels Midland. As all 11 Integrated Biorefinery awards are substantially the same in award construction and preparation to include the Special Terms and Conditions and Intellectual Property Provisions, DE-EE0002870/001 has been selected to serve as the representative file for the purpose of complying with the requirement for Legal and Division Director Reviews of modifications to lift conditions from ARRA awards with total estimated costs equal to or greater than $25,000,000. All corrections and modification identified for DE-EE0002870/001 will be adopted for inclusion in all Integrated Biorefinery awards.

Your signature on the PMC 112.2 and below will also constitute approval of the remaining 10 Integrated Biorefinery awards.

Derek G. Passarelli
Chief Counsel
Golden Field Office

3/22/10
Date

Matthew A. Barron
Director, Financial Assistance (RE)
Golden Field Office

3/22/10
Date

Hames, Molly

From: Wise, Melissa
Sent: Tuesday, March 23, 2010 8:51 AM
To: DL OAFA RE Financial Assistance Div Biomass Program
Subject: Memo to File: Legal Review and Division Director Review of IBR Awards: 3/31
Attachments: Memo to File - Legal and Director Reviews.pdf

Importance: High

Hi Team,

Division Director Review has been completed, and there were no comments. Please include this e-mail trail in your award files under AWD-019. Also please include the attached Memo To File.

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 5
(Deliberative process)

Please let me know if you have any questions.

Thanks,
Melissa

Melissa Wise
Grants and Agreements Specialist
U.S. Department of Energy
Golden Field Office

-----Original Message-----
From: Wise, Melissa
Sent: Monday, March 22, 2010 1:05 PM
To: DL OAFA RE Financial Assistance Div Biomass Program
Subject: Legal Review of IBR Awards: 3/31
Importance: High

REDACTED
EXEMPTION 4

REDACTED

FOIA EXEMPTION 5

(Deliberative Process)

REDACTED

FOIA EXEMPTION 5

(Deliberative Process)

Email Regarding Total Project Costs

From: Gypsy Achong [gachong@solazyme.com]
Sent: Tuesday, March 09, 2010 11:38 AM
To: Sterner, Christy
Cc: Lindeman, Chris
Subject: Solazyme SF 424

Dear Christy,

Thanks for pointing out the discrepancy between the proposed budget in the original application (SF 424) and the revised budgets submitted for Award 1 (SF 424A and PMC 123.1). Please note that the revised budget submitted for Award 1 include refined budgets for Period 1 only. The budget for Period 2 is the same as in the original submission. EX4 The total budget including the refined budget for Period 1 and original budget for Period 2 was slightly lower than the budget originally submitted. As we refine Period 2 budgets, we expect to shift the difference between the original budget and the current budget to Budget Period 2, resulting in a total budget of EX4 (the total project budget in the original SF 424 application).

Best wishes,

Gypsy

Gypsy Achong

Email: gachong@solazyme.com

Phone: 650 780 4777 x5273

Solazyme, Inc.

561 Eccles Avenue

South San Francisco, CA 94080

The information in this e-mail (including attachments, if any) is considered confidential and is intended only for the recipient(s) listed above. Any review, use, disclosure, distribution or copying of this e-mail is prohibited except by or on behalf of the intended recipient. If you have received this email in error, please notify me immediately by reply email, delete this email, and do not disclose its contents to anyone. Thank you.

Email Supporting Funds for EPC Vendor Costs BP1

From: Gypsy Achong [gachong@solazyme.com]
Sent: Wednesday, March 03, 2010 4:08 PM
To: Sterner, Christy
Cc: Lindeman, Chris
Subject: Budget Period 1 spend

Dear Christy,

REDACTED
EXEMPTION 4

Thanks for reviewing Solazyme's Award 1 budgets. Please note that the
ine item costing

REDACTED
EXEMPTION 4

The line item does not include anv
will lead to an irreversible and/or irretrievable commitment of resources.

Please let me know if you have any questions.

REDACTED
EXEMPTION 4

Best wishes,

Gypsy

Gypsy Achong

Email: gachong@solazyme.com

Phone: 650 780 4777 x5273

Solazyme, Inc.

561 Eccles Avenue

South San Francisco, CA 94080

The information in this e-mail (including attachments, if any) is considered confidential and is intended only for the recipient(s) listed above. Any

review, use, disclosure, distribution or copying of this e-mail is prohibited except by or on behalf of the intended recipient. If you have received this email in error, please notify me immediately by reply email, delete this email, and do not disclose its contents to anyone. Thank you.

From: Gypsy Achong [gachong@solazyme.com]
Sent: Tuesday, March 02, 2010 1:50 PM
To: Hames, Molly
Cc: Sterner, Christy; Lindeman, Chris; sergio.arnabar@cherokee-pharma.com
Subject: FW: DOE Award: DE-EE0002877 - Solazyme, Inc. - Indirect Rates
Attachments: PMC400_2_Sample_IR_Proposal_preaward.doc

Dear Molly,

I apologize for the delay in responding to your email. Cherokee's Director of Finance, Sergio Arnabar, cc'ed here, REDACTED EXEMPTION 4

Sergio's contact information is:

Phone: 570 271 2194
Email: Sergio.arnabar@cherokee-pharma.com

Sergio, attached is the sample indirect rate proposal form downloaded from the following website:
https://www.eere-pmc.energy.gov/forms.aspx

Molly, please let Sergio know when you will need Cherokee's indirect rate proposal.

Thanks for your help,
Gypsy

-----Original Message-----
From: Hames, Molly [mailto:molly.hames@go.doe.gov]
Sent: Friday, February 05, 2010 12:48 PM
To: Gypsy Achong
Cc: Sterner, Christy
Subject: DOE Award: DE-EE0002877 - Solazyme, Inc. - Indirect Rates

Hello,
In addition to the indirect rate proposal you've already submitted, we need one from your sub-recipient, Cherokee Pharmaceuticals. I am requesting that our CP Analyst take a look at you and your sub-recipient's indirect rate proposals while the budgets are still being negotiated, in order to expedite the process of lifting conditions on your awards.

Also, would it be okay for the CP Analyst to directly contact your sub-recipients, or would you rather our CP Analyst work through you instead?

Please let me know, and do not hesitate to contact me with any questions.

Thanks,

Molly Hames
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
1617 Cole Blvd. Golden, CO 80401
Phone: 303-275-4864
Fax: 303-275-4754

U.S. DEPARTMENT OF ENERGY
PROJECT MANAGEMENT CENTER

SAMPLE INDIRECT RATE PROPOSAL

TABLE OF CONTENTS

A. Introduction
B. DCAA model for Indirect Rates
C. Indirect Rate Proposal- Single Rate Method
D. Indirect Rate Proposal – Two Rate Method (Fringe and Indirect Rate)
E. Definitions and References

A. Introduction

There are several methods for allocating indirect costs/expenses to projects, activities and programs. For applicants who have prior experience in developing Indirect Rates, **Paragraph B** identifies the most comprehensive tool. The instructions in **Paragraphs C and D** below are provided as a **sample** for recipients who have little or no experience in developing indirect rates but intend to request reimbursement for indirect costs as part of a Federal Financial Assistance Award. Select one method from Paragraph A, B or C. The resulting Indirect Rates are needed on two occasions:

1. **Initially, indirect rates will be required for estimating the Budget** for a current or pending award if indirect costs are requested for reimbursement.
2. **After the award** is made, the applicant will provide indirect rates on an annual basis to the Specialist at the awarding office to **reconcile billed costs to actual costs** per the award terms and conditions.

Paragraph E below contains terms and references that may be unfamiliar to a new applicant but that are essential in understanding how to develop an Indirect Rate.

B. Indirect Rate Proposal — DCAA "ICE" model

For applicants who have prior experience in calculating Indirect Rates, the most comprehensive instructions with sample schedules/spreadsheets is the Defense Contract Audit Agency's (DCAA) Incurred Cost Electronic (ICE) model. The model can be located on the DCAA website at **http://www.dcaa.mil/** under **DCAA Publications, ICE Model.** Although the ICE model is intended as a sample for accumulating Annual Incurred Costs it can also be used as a model in forecasting indirect rates.

C. Indirect Rate Proposal—Single Rate Method --Example

The following is a sample INDIRECT RATE PROPOSAL using the Single Rate Method. The Indirect Rate Calculation and Step by Step instructions are shown below the General Ledger table. Each Step has a narrative explanation provided on page 3.

GENERAL LEDGER

ACCT #	ACCOUNT NAME	ANNUAL TOTAL	DIRECT	INDIRECT	UNALLOW	INDIRECT-CLAIMED
6110	Salaries & Wages	$656,824	$656,824			
8110	Salaries & Wages	$123,067		$123,067		$123,067
8210	Holiday	$22,502		$22,502		$22,502
8211	Vacation	$31,252		$31,252		$31,252
8212	Sick Leave	$15,318		$15,318		$15,318
8213	Severence Pay	$32,419		$32,419		$32,419
8214	FICA-Employer portion	$27,427		$27,427		$27,427
8215	Federal Unemployement Insurance	$1,393		$1,393		$1,393
8216	State Unemployment Insurance	$6,722		$6,722		$6,722
8217	Workers' Compensation	$3,826		$3,826		$3,826
8218	Health Insurance	$40,009		$40,009		$40,009
8219	Life Insurance	$7,920		$7,920		$7,920
8220	Pension Plan	$60,638		$60,638		$60,638
8221	Recruitment	$285		$285		$285
8222	Relocation	$1,216		$1,216		$1,216
8223	Personal Absence	$1,082		$1,082		$1,082
6310	Travel	$35,173	$35,173			
8310	Travel	$12,987		$12,987	$2,500	$10,487
6320	Material	$843,192	$843,192			
6330	Other Direct Cost	$187,493	$187,493			
6340	Subcontracts-contractual	$944,841	$944,841			
6350	Supplies	$25,000	$25,000			
8350	Supplies	$15,014		$15,014		$15,014
6360	Equipment Rental	$15,000	$15,000			
8360	Equipment Rental	$12,150		$12,150		$12,150
8410	Legal Fees	$1,744		$1,744		$1,744
8420	Audit Fees	$32,361		$32,361		$32,361
8430	Miscellaneous	$3,969		$3,969		$3,969
8503	Entertainment	$484		$484	$484	$0
8505	Advertising & Promotion	$354		$354		$354
8520	Periodicals	$6,435		$6,435		$6,435
8522	Bad Debts	$3,018		$3,018	$3,018	$0
8523	Business Meals	$2,702		$2,702		$2,702
8524	Depreciation/Amortization	$2,824		$2,824		$2,824
8525	Dues/Memberships	$2,112		$2,112		$2,112
8526	Conventions/Seminars	$7,936		$7,936	$2,000	$5,936
8527	Interest Expense	$1,001		$1,001	$1,001	$0
8531	Insurance	$738		$738		$738
8535	Repairs/Maintenance	$1,681		$1,681		$1,681
8537	Telecopier	$2,434		$2,434		$2,434
8538	Telephone	$45,552		$45,552		$45,552
8539	Temp Help/contract labor	$1,816		$1,816		$1,816
8540	Small Equipment	$878		$878		$878
8542	Postage & Handling	$6,235		$6,235		$6,235
8553	Office Supplies	$6,461		$6,461		$6,461
8554	Other Outside Services	$30,281		$30,281		$30,281
	TOTAL		$2,707,523	$576,243	$9,003	$567,240
			Base-Direct Labor			Pool

INDIRECT COST POOL	$567,240
BASE= (DIRECT LABOR)	$656,824
INDIRECT RATE	**86.4%**

STEPS IN SINGLE RATE PROCESS

1. Develop List of Accounts (GL)
2. Segregate Direct Costs from Indirect Costs
3. Segregate Unallowable Costs
4. Consider Adjustments to Historical Costs
5. Sum the Indirect Cost Pool
6. Identify the Indirect Base
7. Calculate the Indirect Rate