## ITEMS TO CONSIDER WHEN NEGOTIATING A COST SHARE AGREEMENT

Negotiating cost share agreements within the State of Colorado has been delegated to the respective unit administrators in the Interagency Cooperative Fire Management Agreement. County officials must also be included. Cost share agreements are to be documented, including the basis or rationale used. The following guidelines should be considered when negotiating a cost share agreement. These are intended to help field personnel in negotiating an equitable agreement and are not intended to be mandatory.

**Unit Administrator (Line Officer):** the individual assigned administrative responsibilities for an established organizational unit, such as Forest Supervisors or District Rangers (USFS), District or Area Manager (BLM), Area Forester or State Forester Designate (State), Regional Director or Refuge Manager (USFWS), Park Superintendent (NPS), and Agency Superintendent (BIA), and may include a County commissioner at the local level.

**General Guidelines:**

1. Agency budgeted costs normally are not shared.
2. Responsibility for claims is considered to be outside the scope of the cost share agreement.
3. Rehabilitation costs other than on the fireline are the responsibility of the jurisdictional Agency.
4. All cost share negotiations should include consideration to each Agency's values at risk and resources assigned.
5. Cost share agreements should normally be reviewed at the end of each burning period and documented with review date and time.

Method 1: Cost can be shared proportionately based upon the acreage burned.

Method 2: Costs between the Agencies can be based on a summary of daily estimated incident costs and each Agency's proportionate share thereof. If this method is used, daily cost sharing should be properly documented by the Incident Commander. Aircraft and retardant should be on an actual use basis.

Method 3: Costs can be shared based upon direct fireline resources assigned basis. Aviation resources, retardant, etc. should be on an actual use basis. Indirect costs are then shared proportional to direct costs. This is the most equitable method and should be utilized on incidents when a Type I team is assigned.

**Definitions:**

**Direct Costs:** All costs associated with direct fireline/fireground and operations including aircraft, except airtankers and their retardant, and incident support ordered by or for the incident prior to completion of the cost share agreement. Airtanker costs and associated retardant costs are direct costs but normally are calculated at a separate cost share rate.

**Facilities and Administrative Costs (Indirect Costs):**

Costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, and instructional activity, or any other institutional activity. These costs may include office support personnel,mobilization/demobilization centers, dispatching, airbase operations, transportation from home base to camp, and minor or major equipment repairs to incident-assigned and damaged equipment (except those costs included in equipment rental rates). Facilities and administrative costs can be shared proportionately with direct costs except where identified to be shared differently in the cost share agreement.