

accordance with generally accepted accounting principles, may be used to allocate indirect costs to specific assessment and restoration activities." 15 CFR 990.30.

Accordingly, the NMSP includes both direct and indirect costs in damage assessment claims it presents to responsible parties. Direct costs are costs for activities that are clearly and readily attributable to a specific output. Outputs may be associated with on-scene emergency response as well as the damage assessment. In contrast, indirect costs reflect the costs for activities that collectively support the NMSP's damage assessment, restoration, and emergency response capabilities. For example, indirect costs include general administrative support and traditional overheads. Although these costs may not be readily traced back to a specific direct activity, indirect costs may be allocated to direct activities using an indirect cost distribution rate.

Consistent with Federal accounting requirements, the NMSP is required to account for and report the full costs of its programs and activities. Further, the NMSP is authorized by law to recover reasonable costs of damage assessment and restoration activities under the NMSA, CERCLA, and OPA. Within the constraints of these legal provisions and their regulatory applications, the NMSP has the discretion to develop indirect cost rates for its components and formulate policies on the recovery of indirect cost rates subject to its requirements.

The NMSP's Indirect Cost Effort

In October 2002, the NMSP hired the public accounting firm of Cotton & Company (C&C) to: (1) Evaluate the cost accounting system and allocation practices; (2) recommend the appropriate indirect cost allocation methodology; and, (3) determine the indirect cost rates for the components of the NMSP. The NMSP requested an analysis of its indirect costs for fiscal year 2002. The goal was to develop the most appropriate indirect cost rate allocation methodology and rates for the NMSP components.

C&C concluded that the cost accounting system and allocation practices of the NMSP are consistent with Federal accounting requirements. C&C also determined that the most appropriate indirect allocation method was the Direct Labor Cost Base for all NMSP components. The Direct Labor Cost Base is computed by allocating total indirect costs over the sum of direct labor dollars plus the application of NOAA's leave surcharge and benefits rates to direct labor. The indirect cost

rates that C&C has computed for the NMSP were further assessed as being fair and equitable. A report on C&C's effort, their assessment of the NMSP's cost accounting system and practices, and their determination respecting the most appropriate indirect cost methodology and rates can be obtained from Michelle Chapman, 1305 East West Highway, Silver Spring, MD 20910, michelle.chapman@noaa.gov.

The NMSP's Indirect Cost Policy

The NMSP will include the costs of program policy work and techniques and methods development in indirect cost pools of its component organizations, but will monitor these activities annually to control costs. The indirect cost pools also include the cost of general management and administrative support and preparedness for emergency response work.

The NMSP will apply the rates recommended by C&C for fiscal year 2002 for each of the NMSP components as provided below:

Headquarters and all sanctuary field sites except as specified: 154.62%,
Florida Keys National Marine Sanctuary: 249.41%

Different components of the NMSP have different rates because of their different roles and responsibilities with respect to damage assessment and restoration. The Headquarters staff serves a coordinating function, providing overall policy direction and administrative support. Individual sanctuary sites support policy development, but also conduct techniques development and perform the field operational role, providing on-the-water emergency response and biological assessment of the injuries and conducting or overseeing restoration efforts. A separate rate was calculated for the Florida Keys National Marine Sanctuary (FKNMS) because the vast majority of incidents occur at that site. The FKNMS maintains an entire team of emergency response, damage assessment and restoration personnel, equipped and trained for their field operational role.

The rates identified in this policy will be applied to all damage assessment and restoration case costs as of October 1, 2001, using the Direct Labor Cost base allocation methodology. For cases that have settled and for cost claims paid prior to October 1, 2001, the NMSP will not reopen any resolved matters for the purpose of applying the rates in this policy. For cases not settled and cost claims not paid prior to October 1, 2001, costs will be recalculated using the rates

in this policy. The NMSP will use the FY 2002 rates for future fiscal years until year-specific rates can be developed.

Alan Neuschatz,

Associate Assistant Administrator for Management, Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration.

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D 110403A]

Endangered Species; File No. 1418

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Issuance of permit.

SUMMARY: Notice is hereby given that Lawrence D. Wood, Marinelife Center of Juno Beach, 14200 U.S. Hwy. #1, Juno Beach, FL, 33408, has been issued a permit to take hawksbill sea turtles (*Eretmochelys imbricata*) for purposes of scientific research.

ADDRESSES: The permit and related documents are available for review upon written request or by appointment in the following offices:

Permits, Conservation and Education Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301)713-2289; fax (301)713-0376;

Southeast Region, NMFS, 9721 Executive Center Drive North, St. Petersburg, FL 33702-2432; phone (727)570-5301; fax (727)570-5320.

FOR FURTHER INFORMATION CONTACT: Patrick Opay, (301) 713-1401 or Carrie Hubbard, (301)713-2289.

SUPPLEMENTARY INFORMATION: On May 20, 2003, notice was published in the **Federal Register** (68 FR 27535) that a request for a scientific research permit to take hawksbill sea turtles had been submitted by the above-named individual. The requested permit has been issued under the authority of the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 *et seq.*) and the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR parts 222-226).

The applicant will hand capture, handle, measure, Passive Integrated Transponder (PIT) and flipper tag, photograph, tissue sample, paint a