

**CERTIFICATE OF INDIRECT COSTS**

This is to certify that I have reviewed the indirect cost rate proposal prepared and maintained herewith and to the best of my knowledge and belief:

- 1) All costs included in the proposal dated **April 18, 2019** to establish indirect costs rate for **May 1, 2019 thru April 30, 2020** are allowable in accordance with the requirements of the Federal award(s) to which they apply and OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (codified at 2 C.F.R. Part 200). Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.
- 2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.
- 3) The Indirect cost rate calculated within the proposal is **34.26%** which was calculated using direct cost base type of **Salary and Fringe**. The calculations were based on actual costs from fiscal year April 30, 2019 to obtain a federal indirect cost billing rate for fiscal year **April 30, 2020**
- 4) All documentation supporting the indirect cost rate identified above must be retained by the Recipient. This rate should be reviewed and validated as part of the Recipients' annual financial audit.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 USC 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statement Act (18 USC 1001), I declare to the best of my knowledge that the foregoing is true and correct.

**Organization Name:** Texoma Council of Governments

**Signature:** Mindi Jones

**Name of Authorized Official:** Mindi Jones

**Title:** Finance Director

**Email Address and Phone:** mjones@texoma.cog.tx.us (903) 813-3547

**Date of Execution:** \_\_\_\_\_



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UNITED STATES DEPARTMENT OF COMMERCE  
Economic Development Administration  
Washington, DC 20230

05/06/2019

Mindi Jones  
Finance Director  
Texoma Council of Governments  
1117 Gallagher Drive, Suite 470  
Sherman, TX 75090

RE: Indirect Cost Rate Certificate

Mindi:

With this letter, the Economic Development Administration (EDA), a component of the Department of Commerce and your cognizant agency, acknowledges receipt of your Indirect Cost Rate Certificate for FY 2020 dated 04/18/2019. As a unit of state or local government that receives less than \$35 million in annual cumulative direct Federal funding, you are not required to submit an indirect cost rate proposal to EDA and, consequently, EDA will not review your submission at this time. For more information on this requirement, see 2 C.F.R. part 200, App. VII § D.1.b.

Your organization is required to develop an indirect cost rate proposal in accordance with 2 C.F.R. part 200 and retain it with related supporting documentation for audit. For more information on this requirement, see 2 C.F.R. part 200, App. VII § D.1.b. and 2 C.F.R. § 200.333. EDA reserves the right to review this or future indirect cost rate proposals at a later time to ensure conformity with the requirements of 2 C.F.R. part 200. Typically, EDA will exercise this right if there is a relevant audit finding, a concern is raised by another government agency concerning a particular indirect cost rate, and/or if EDA finds an anomaly in an indirect cost rate proposal. In such circumstances EDA may review such an indirect cost rate proposal itself or through another Federal agency.

Please contact my office at 202-482-2917 if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, reading "Bernadette Grafton", is positioned above the typed name.

Bernadette Grafton  
Program Analyst  
Economic Development Administration

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**Organization Name:** Texoma Council of Governments

**Signature:** Mindi Jones

**Name of Authorized Official:** Mindi Jones

**Title:** Finance Director

**Email Address and Phone:** mjones@texoma.cog.tx.us (903) 813-3547

**Date of Execution:** \_\_\_\_\_



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**TIN#:** 17512921952

**DATE:** April 2, 2020

**CONTACT NAME:** Ms. Mindi Jones

**GRANTEE:** Texoma Council of Governments

**ADDRESS:** 1117 Gallagher Drive Sherman, Texas 75090

The indirect cost rate(s) contained herein are for use on grants with Federal, State, or both governments to which 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards or the State of Texas Uniform Grant Management Standards apply, subject to the limitations contained in the sections below.

### SECTION 1: HHS SYSTEMS ISSUED RATE(S)

HHS System Issued Rate				
Rate Type	RATE PERIOD		Rate	Rate Base
	Start Date	End Date		
Fixed Carry-forward	5/1/2019	4/30/2020	35.65 %*	Salaries and Fringe

*\*If the indirect cost rate for the next fiscal year is not approved prior to the new fiscal year, use the current rate as a billing rate until a new rate is established*

**Note:** Title 12, Texas Local Government Code § 391.0115(e) limits your organization's indirect costs to 15% or less of your organization's total expenditures.

HHS System Rate Based on the Following:	
<b>Rate Base:</b>	Salaries and Fringe
<b>Rate Base Details:</b>	The base is the total Personnel Costs including of all salaries, Wages and fringe benefits charged as a direct cost to all programs.

### SECTION 2: ACCOUNTING TREATMENT OF FRINGE BENEFITS COST

Accounting Methods	
<b>Fringe Benefit Rate:</b>	N/A
<b>Fringe Benefits:</b>	Entity no longer has a Fringe Benefit Rate. All Fringe related costs included in Total Personnel Costs like Fringe Benefit, Release Time (Annual, Holiday and Sick leave), Retirement Program, Hospitalization insurance, T.W.C Taxes, F.I.C.A Taxes, and Workmen's Compensation.

## SECTION 2: ACCOUNTING TREATMENT OF FRINGE BENEFITS COST

<b>Paid Absences:</b>	The absences are identified as Released Time which includes Annual Leave, Holidays, and Sick Leave. Paid absences are included in fringe benefits.
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## SECTION 3: Key Deadlines for Proposal Submissions

Submission deadlines	
<b>Next Proposal Due</b>	Your fiscal year 2021 proposal must be submitted to the <a href="#">HHS COS Grantee Landing Page</a> no later than July 29, 2020. Additionally, the FY20 Final Indirect Cost Rate proposal based on actual fiscal year 2020 expenditures is due no later than October 30, 2020. elect the "Submit ICR Proposal" option to upload all required documents. The proposal packet must be submitted on the HHS COS approved ICR Proposal Packet templates. Select "Technical Assistance" to request copies of the approved templates.

## SECTION 4: KEY GUIDELINES AND CONDITIONS

### KEY GUIDELINES

**A. LIMITATIONS:** Use of the rate(s) contained in the Agreement is subject to all statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the rate(s) agreed to herein is predicated upon the following conditions: (1) that no costs other than those incurred by the grantee were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the grantee and allowable under the governing cost principles, (See 2 CFR 200, Subpart E); (2) that the same costs that have been treated as indirect costs have not been claimed as direct costs; (3) that similar types of costs have been accorded consistent treatment; and (4) that the information provided by the grantee which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate; (5) that a restricted rate or limit to the indirect cost rate or amount is not required under the enabling statute or by the cognizant federal agency; (6) indirect costs may only be recovered to the extent direct costs were incurred; and (7) the rates cited in this Agreement may be subject to audit. Indirect cost elements and the type of distribution base used in computing the rates are subject to revision when a final rate is negotiated to settle the provisional rate or if unusual circumstances affect the negotiated predetermined rate. In such situations, the rate(s) may be subject to renegotiation at the discretion of the cognizant agency.

**B. CHANGES IMPACTING THE INDIRECT COST RATE PROPOSAL:** This agreement is based on the organizational structure and the accounting methodology purported by the

grantee to be in effect during the Agreement period. Changes which affect the amount of reimbursement resulting from the use of this Agreement require prior approval from the cognizant organization. Failure to obtain approval may result in subsequent cost disallowance.

- C. NOTIFICATION TO FEDERAL AND STATE AGENCIES:** A copy of this document may be provided by the grantee to other Federal or State funding sources as a means of notifying them of the Agreement contained herein.
- D. APPLICATION OF INDIRECT COST RATE TO EXISTING GRANTS:** Indirect costs charged to a grant by means other than the rate(s) cited in this Agreement should be adjusted to the applicable rate cited herein.

## SECTION 5: RATE TYPE DEFINITIONS

- A. Provisional Rates and Adjustments:** A provisional rate is temporary and used for interim reimbursement. The grantee must submit an indirect cost rate proposal within six (6) months after the end of their fiscal year to establish a final rate based on actual costs.
- B. Final Rates and Adjustments:** A final rate is the actual rate determined after the close of the fiscal year and is not subject to adjustment. Once a final rate is determined, charges to funding agency must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available to cover the additional indirect costs, the grantee may not recover all indirect costs. If the final rate is less than the provisional rate, the grantee will be required to reimburse the funding agency for the excess billings.
- C. Fixed Carry-forward and Adjustments:** A fixed carry-forward rate means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual, allowable costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.
- D. Predetermined Rate:** The predetermined rate is based on estimated costs for a specified current or future period. The issuance of a predetermined rate depends on the reasonable assurance that the rate is not likely to exceed a rate based on the grantee's actual indirect costs. The predetermined rate is not subject to adjustment except under unusual circumstances. If the grantee's total expenditures increase or decrease by 25 percent or more within a 90-day period during the rate period, the grantee must submit a proposal indicating a rate based on the new expenditure data resulting from the increase or decrease.

## SECTION 6. ACCEPTANCE OF AGREEMENT

GRANTEE

COGNIZANT AGENCY

TEXOMA COUNCIL OF GOVERNMENTS

Grantee Name

ERIC M BRIDGES

Name of Grantee Signature Authority



Grantee Signature

Click or tap to enter a date

Grantee Signature Date

4/2/20

Health and Human Service Commission

Agency Name

Racheal Kane

Name of Agency Signature Authority



Agency Signature

4/1/2020

Agency Signature Date