



Practical Application of Federal Cost Allocation & Indirect Cost Rates (2 CFR Part 200) for The State of Washington

Presented by:

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Overview of Topics

- Central Service & Departmental Cost Allocation Plans
 - Major steps to complete
 - Example cost allocation plan schedules
- Indirect Cost Rate Proposals
 - Major steps to complete
 - Example simplified method schedules
 - Example multiple rate schedules.

Central Service & Departmental Cost Allocation Plans

- Conduct an initial meeting with organization head to get full understanding of the scope.
 - Do you need a cost allocation plan or will an ICRP suffice?
 - State, City, County – typically need a cost allocation plan.
 - State Agency or non-profit – need is situational.
- Review any existing cost allocation plan, data collection worksheets, allocation bases, methods of distribution for appropriateness.
- Collect basic financial and operational data.
- Identify administrative service departments

Central Service & Departmental Cost Allocation Plans

- Conduct interviews with administrative service departments.
- Determine what cost pools to create within the administrative service departments
 - More cost pools = more complexity = more data to track and maintain
 - Weigh benefit gained vs additional work
- Determine/develop allocation statistics for each cost pool

Central Service & Departmental Cost Allocation Plans

- Review expenditure data to exclude unallowable costs
- Allocate costs by applying the allocation statistics to the allowable costs in each pool
- Summarize the allocation results
- Prepare carry-forward calculations
 - Compares actual allocation to the fixed allocation from a prior year to true up charges.
- Develop narratives describing allocated services and methods
- Identify any billed services and prepare narratives and financial reporting schedules if required

Central Service & Departmental Cost Allocation Plans

- Package all allocation worksheets, narratives and other required components of submission into unified volume(s) for filing or submission to cognizant agency.
- Submit cost allocation plan volume(s) to cognizant agency if required along with a request for review and approval of the plan for the period desired.
- Respond to inquiries and/or negotiate cost allocation plan with cognizant agency if required.
- Execute a cost allocation agreement with the cognizant agency

Central Service & Departmental Cost Allocation Plans

- Section I (allocated services) Example Formats
 - There are no proscribed formats for cost allocation calculations, but there are some basic information that all cognizant agencies will want to see displayed.
 - Total costs in each pool
 - Object code detail for each pool
 - Unallowable costs removed from each pool (if any)
 - Method of allocation for each pool
 - Results of allocation of each pool
 - The following examples are all double-step down allocations, but single step allocations are perfectly acceptable.
 - Many states do their cost allocations on linked Excel spreadsheets

Total Expenditures, assigned to cost pools, shown by object code category.
 Unallowable expenditures have a 'D' (disallowed) code and are removed in the
 Adjustments to Costs section

A. Department Costs						Dept:13 BUSINESS ASSISTANCE OFFICE			
Description		Amount	General Admin	Procurement Post-Award	Vendor Assistance				
Personnel Costs									
Salaries	S1	311,470	89,703	61,048	160,719				
	<i>Salary % Split</i>		28.80%	19.60%	51.60%				
Benefits	S	119,142	34,313	23,352	61,477				
Subtotal - Personnel Costs		430,612	124,016	84,400	222,196				
Services & Supplies Cost									
502 Contract Services	S	35,645	10,266	6,986	18,393				
503 Supplies	S	6,310	1,817	1,237	3,256				
505 Other Expenses	S	444	128	87	229				
506 W&S Recovered Exp	S	0	0	0	0				
507 Capital	D	0	0	0	0				
53X Transfers	D	0	0	0	0				
542 LOCAP Transfer	D	0	0	0	0				
543 LOCAP Transfer	D	0	0	0	0				
Subtotal - Services & Supplies		42,399	12,211	8,310	21,878				
Department Cost Total		473,011	136,227	92,710	244,074				
Adjustments to Cost									
507 Capital	D	0	0	0	0				
53X Transfers	D	0	0	0	0				
542 LOCAP Transfer	D	0	0	0	0				
543 LOCAP Transfer	D	0	0	0	0				
Subtotal - Adjustments		0	0	0	0				
Total Costs After Adjustments		473,011	136,227	92,710	244,074				
General Admin Distribution			(136,227)	37,501	98,726				
Grand Total		\$473,011		\$130,211	\$342,800				

Incoming Costs (allocations from other central service departments) are shown here and assigned to the cost pools

B. Incoming Costs - (Default Spread Expense%)						Dept:13 BUSINESS ASSISTANCE OFFICE					
Department	First Incoming	Second Incoming	Procurement Post-Award	Vendor Assistance							
21 Prompt Pay Review	\$0	\$4	\$1	\$3							
21 Performance Monitoring	0	13	4	9							
Subtotal - FINANCIAL ACCOUNTAE	0	26	7	19							
22 Cash Operations	0	1	0	1							
22 Investment Committee Supt	0	12	3	8							
22 Investor Relations	0	8	2	5							
Subtotal - TREASURY	0	20	6	15							
25 ITS Systems	0	611	168	443							
25 ITS Systems Depreciation	0	417	115	303							
Subtotal - INFORMATION SYSTEM	0	1,029	283	745							
Total Incoming	81,764	9,888	25,230	66,422							
C. Total Allocated		\$564,663	\$155,441	\$409,222							

Allocation of costs from the Procurement Post-Award cost pool. Allocation units shown in Units column, methodology listed on the Basis Units line. Results of allocation shown in Total column.

Procurement Post-Award Allocations								Dept:13 BUSINESS ASSISTANCE OFFICE			
	Department	Units	Allocation Percent	First Allocation	Direct Billed	Department Allocation	Second Allocation	Total			
7	GEN SVC OVERHEAD	10	9.35%	\$14,273	\$0	\$14,273	\$0	\$14,273			
14	FINANCE OPERATIONS	2	1.87%	2,855	0	2,855	56	2,911			
17	INTERNAL AUDIT	1	0.93%	1,427	0	1,427	28	1,455			
24	HUMAN RESOURCES	3	2.80%	4,282	0	4,282	84	4,366			
25	INFORMATION SYSTEMS	2	1.87%	2,855	0	2,855	56	2,911			
26	DEPT OF LAW	1	0.93%	1,427	0	1,427	28	1,455			
29	Mayor	1	0.93%	1,427	0	1,427	28	1,455			
32	Planning Comm	1	0.93%	1,427	0	1,427	28	1,455			
38	Assessor Prop	1	0.93%	1,427	0	1,427	28	1,455			
54	Sheriff Admin	2	1.87%	2,855	0	2,855	56	2,911			
78	Police	2	1.87%	2,855	0	2,855	56	2,911			
80	Fire	1	0.93%	1,427	0	1,427	28	1,455			
86	Health	1	0.93%	1,427	0	1,427	28	1,455			
87	Public Library	2	1.87%	2,855	0	2,855	56	2,911			
88	Parks	11	10.28%	15,700	0	15,700	309	16,009			
90	Public Works	12	11.21%	17,127	0	17,127	337	17,464			
91	Solid Waste	3	2.80%	4,282	0	4,282	84	4,366			
94	Muni Auditorium	1	0.93%	1,427	0	1,427	28	1,455			
95	State Fair Board	1	0.93%	1,427	0	1,427	28	1,455			
96	Convention Center	1	0.93%	1,427	0	1,427	28	1,455			
98	Water & Sewer	46	42.99%	65,655	0	65,655	1,291	66,946			
108	Education	2	1.87%	2,855	0	2,855	56	2,911			
Subtotal		107	100.00%	152,719	0	152,719	2,722	155,441			
Direct Bills						0		0			
Total						\$152,719		\$155,441			
Basis Units: # of Projects Assisted											

Summary of the allocations from both cost pools from the Business Assistance Office.

Allocation Summary				Dept:13 BUSINESS ASSISTANCE OFFICE			
Department	Procurement Post-Award	Vendor Assistance	Total				
7 GEN SVC OVERHEAD	\$14,273	\$0	\$14,273				
14 FINANCE OPERATIONS	2,911	0	2,911				
17 INTERNAL AUDIT	1,455	0	1,455				
20 PURCHASING	0	409,222	409,222				
24 HUMAN RESOURCES	4,366	0	4,366				
25 INFORMATION SYSTEMS	2,911	0	2,911				
26 DEPT OF LAW	1,455	0	1,455				
29 Mayor	1,455	0	1,455				
32 Planning Comm	1,455	0	1,455				
38 Assessor Prop	1,455	0	1,455				
54 Sheriff Admin	2,911	0	2,911				
78 Police	2,911	0	2,911				
80 Fire	1,455	0	1,455				
86 Health	1,455	0	1,455				
87 Public Library	2,911	0	2,911				
88 Parks	16,009	0	16,009				
90 Public Works	17,464	0	17,464				
91 Solid Waste	4,366	0	4,366				
94 Muni Auditorium	1,455	0	1,455				
95 State Fair Board	1,455	0	1,455				
96 Convention Center	1,455	0	1,455				
98 Water & Sewer	66,946	0	66,946				
108 Education	2,911	0	2,911				
Total	\$155,441	\$409,222	\$564,663				

Summary of the allocation of all cost pools. Originating departments shown at the left, receiving departments shown across the top..

Summary Schedule											
Department	Assessor Prop	Trustee	County Clerk	District Attorney	DA Drug Enforcement	DA Special Operations	Medical Examiner	Public Defender	Juvenile Court Clerk	Circuit Court Clerk	
1 BUILDING USE ALLOWANCE	\$244,858	\$72,205	\$297,457	\$1,172	\$0	\$0	\$0	\$991	\$0	\$1,173,544	
2 EMPLOYEE BENEFITS	473,334	103,643	421,147	76,239	0	0	0	109,902	390,412	575,715	
3 POST AUDITS	777	392	939	1,653	1,492	83	0	1,410	486	791	
4 CORPORATE DUES	0	0	0	0	0	0	0	0	0	0	
5 INSURANCE	29,230	16,135	14,472	18,214	0	0	0	12,618	5,647	10,364	
6 EMPLOYEE HEALTH & WELLNES:	0	0	0	0	0	0	0	0	0	0	
7 GEN SVC OVERHEAD	0	0	0	0	0	0	0	0	0	0	
8 GEN SVC FACILITIES	24,874	7,335	21,398	1,156	55	0	0	1,280	2,746	29,314	
9 FLEET MANAGEMENT	16,413	213	20,310	18,544	0	0	0	754	5,246	4,491	
10 POSTAL SERVICE	1,407	1,368	1,970	2,589	0	0	0	769	2,326	27,654	
11 RADIO SHOP	0	0	0	11,005	0	0	0	0	0	702	
12 DIRECTOR OF FINANCE	17,074	0	0	0	0	0	0	0	0	0	
13 BUSINESS ASSISTANCE OFFICE	1,455	0	0	0	0	0	0	0	0	0	
14 FINANCE OPERATIONS	1,614	959	1,162	3,324	4,421	124	0	3,012	835	1,761	
15 PAYROLL	2,799	858	2,390	2,045	158	0	0	2,037	1,431	2,117	
16 OFFICE OF MANAGEMENT & BUD	6,735	2,105	3,875	4,934	1,594	0	0	5,837	1,262	3,484	
17 INTERNAL AUDIT	2,760	937	1,713	2,380	623	0	0	2,540	655	4,271	
18 BUSINESS SOLUTIONS	539	272	652	1,147	1,035	58	0	978	338	549	
19 PUBLIC PROPERTY ADMIN	594	202	369	513	134	0	0	547	141	920	
20 PURCHASING	1,932	1,109	1,181	1,537	863	0	0	817	185	2,598	
21 FINANCIAL ACCOUNTABILITY	338	126	195	327	187	1	0	343	85	510	
22 TREASURY	372	121	306	300	213	2	0	299	151	374	
23 GRANTS COORDINATION	0	0	0	0	0	0	0	0	0	0	
24 HUMAN RESOURCES	33,493	9,593	28,426	35,754	0	0	0	31,827	12,738	39,213	
25 INFORMATION SYSTEMS	40,661	69,114	20,373	20,812	8,029	0	0	9,247	4,767	14,603	
26 DEPT OF LAW	38,097	174,788	4,555	251	0	0	120	2,278	1,929	8,544	
27 CENTRAL RECORDS	10,427	389	22,275	0	0	0	0	22,288	36,579	37,877	
Total Current Allocations	\$949,783	\$461,864	\$865,165	\$203,896	\$18,804	\$268	\$120	\$209,774	\$467,959	\$1,939,396	

Summary of the allocation of all cost pools with carry-forward calculation shown at the bottom of the schedule. (carry-forwards necessary for central service cost allocation plans, departmental cost allocation plan carry-forward is handled thru the resulting ICRP.

Department	002 Assessor	004 Miscellaneous	006 BOS 1st Dist	007 BOS 2nd Dist	008 BOS 3rd Dist	009 BOS 4th Dist	010 BOS 5th Dist	011 Clerk of the Board	012-1100 OCCR Administration	012-2100 OCCS Program Admin
1 Building Depreciation	\$196,028	\$0	\$27,229	\$27,229	\$27,229	\$27,229	\$27,229	\$89,984	\$78,120	\$0
2 Equipment Depreciation	46,642	0	0	0	0	0	1,170	5,113	98,992	0
3 Intangible Amortization	110,733	174	4,536	3,482	3,695	3,811	3,925	16,209	154,016	6,740
4 080 OCPW	1,205,062	0	56,599	56,599	56,599	56,599	56,599	195,714	104,111	(2,823)
5 000 Interest Expense	0	0	0	0	0	0	0	0	0	0
6 000 Space Costs	0	0	0	0	0	0	0	0	0	0
7 038 Data Systems Development	7,721	0	211	158	211	184	184	711	6,482	0
8 003 Auditor	55,300	291	3,049	2,287	2,372	2,545	2,293	13,326	456,253	2,582
9 017 CEO	85,654	920	2,952	2,574	2,782	2,862	2,611	23,444	74,999	20,299
10 054 Human Resources	77,519	0	2,601	1,702	1,548	1,861	1,820	9,447	121,533	494
11 025 County Counsel	220,561	0	163,863	163,798	163,787	163,809	163,806	224,118	19,240	35
12 014 CAPS Program	131,293	181	5,046	3,729	3,800	4,064	4,140	16,508	135,525	5,561
13 040 Utilities	249,369	0	11,288	11,288	11,288	11,288	11,288	24,255	18,065	0
14 050 Office of Performance Audit	8,042	86	203	184	161	170	188	735	4,132	85
15 055 Sheriff Communications	163	0	3,363	3,363	3,363	8,524	3,363	16,690	0	0
16 056 Employee Benefits	357	0	7	10	8	7	8	34	130	2
17 074 Treas/ Tax Collector	62	0	4	3	4	3	3	26	37	2
18 079 Internal Audit	5,636	2	186	186	3,274	186	186	380	160,155	2,727
19 060 Sheriff Security 1486	31,687	0	37,964	37,964	37,964	37,964	37,964	80,367	0	0
Total Current Allocations	2,431,829	1,654	319,101	314,556	318,085	321,106	316,777	717,061	1,431,790	35,704
Less: Fixed Costs (& Adjustments)	2,213,045	6,373	306,377	302,725	302,688	308,364	303,245	716,675	1,067,001	172,245
Carry-Forward	218,784	(4,719)	12,724	11,831	15,397	12,742	13,532	386	364,789	(136,541)
Proposed Costs	\$2,650,613	\$(3,065)	\$331,825	\$326,387	\$333,482	\$333,848	\$330,309	\$717,447	\$1,796,579	\$(100,837)

Carry-forwards for SWCAPs are required to be calculated differently. Instead of comparing total prior year allocations to current year allocations, you must compare each central service department individually. Table below shows carry-forward calculations for Building Depreciation central service department.

CAP Code	Department / Budget Account	Current Year Totals	FY 2014 SWCAP	Carry Forward	FY 2016 SWCAP Fixed Costs
2	1050 OFM ADMINISTRATION	165,677	-	-	165,677
9	900 STATE TREASURER	204,584	-	-	204,584
10	850 SEC ADMINISTRATION	468,494	-	-	468,494
11	1790 DES DEPT OF ENTERPRISE SVCS	488,296	-	-	488,296
	Subtotal Central Service Agencies	1,327,051	-	-	1,327,051
12	1110 DOP ADMINISTRATION	-	37,720	(37,720)	(37,720)
16	110 REP HOUSE OF REPRESENTATIVES	1,454,255	1,078,229	376,026	1,830,282
17	120 SEN SENATE	1,415,682	1,413,804	1,878	1,417,560
22	370 OLSS LEGISLATIVE SUPPT SVCS	8,692	-	-	8,692
23	380 JLS JOINT LEGISLATIVE SYS CMTE	10,782	10,022	760	11,542
24	400 SLC STATUTE LAW CMTE	22,802	31,944	(9,142)	13,660
25	450 SUP SUPREME COURT	364,211	364,137	74	364,286
26	460 LAW STATE LAW LIBRARY	172,394	172,359	35	172,429
28	500 CJC COMM ON JUDICIAL CONDUCT	4,922	4,910	12	4,933
29	550 AOC ADMIN OFFICE OF COURTS	47,528	47,518	10	47,538
32	750 GOV GOVERNOR	305,145	315,064	(9,919)	295,225
34	800 LTG LIEUTENANT GOVERNOR	72,427	72,261	166	72,593
39	860 INA INDIAN AFFAIRS	1,304	1,301	3	1,308
40	870 APA ASIAN PACIFIC AMER AFFAIRS	696	695	1	697
41	900 OST TREASURER OTHER	1,514	-	-	1,514
43	950 SAO STATE AUDITOR	18,645	20,031	(1,386)	17,259
44	990 COS CMTE ON SALARIES ELECTED OFFICIALS	696	695	1	697

Central Service & Departmental Cost Allocation Plans

- Section II (billed services) example Formats
 - For billed services with operating expenses over \$5M, we are required to provide narrative descriptions of the services provided and billing rate methodology, along with balance sheets and income statements, revenue reports and a fund balance reconciliation

Fund balance reconciliation

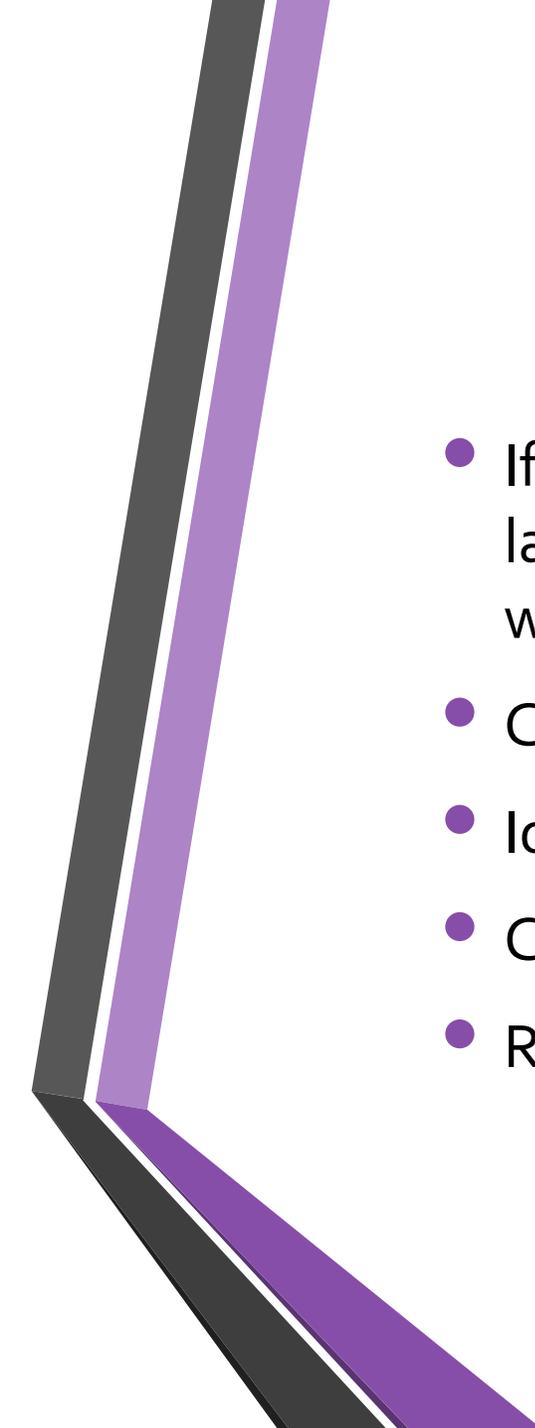
PART I OMB A-87 RETAINED EARNINGS BALANCE			
OMB A-87 RETAINED EARNINGS BALANCE JULY 1, 2013			
Balance Per Prior Year's Reconciliation of Fund to OMB A-87			\$1,349,332
FY 2014 RETAINED EARNINGS INCREASE(DECREASE) Per CAFR			
OMB A-87 Revenues			
Charges for Services		\$24,367,723	
Miscellaneous Revenue		388,440	
Total Revenues			24,756,163
Less: Expenditures (Actual Costs):			
Per State's Financial Report			
Salaries and Wages		2,727,918	
Employee Benefits		1,339,582	
Goods and Services		20,233,864	
Travel		241,167	
Depreciation and Amortization		418,628	
Miscellaneous Expenses		31,956	
Interest Expense		44,374	
Other Expenses		0	
Total Per Financial Statements		25,037,489	
Additional OMB A-87 Allowable Costs			
FY 2014 SWCAP Costs (Exhibit F)	\$24,291		
Other	0		
Total Additions		24,291	
Less OMB A-87 Allowable Expenditures			25,061,780
Plus Adjustments:			
Prior Period Adjustments		0	
Imputed Interest Earnings (Exhibit D)		883	
Total Adjustments			883
OMB A-87 RETAINED EARNINGS BALANCE JUNE 30, 2014	(A)		\$1,044,598
Allowable Reserve (1/6 of Allowable Expenses Less Deprec.)	(B)		\$4,107,192
Excess Balance (A) - (B)			(\$3,062,594)
PART II OMB A-87 CONTRIBUTED CAPITAL BALANCE			
OMB A-87 CONTRIBUTED CAPITAL BALANCE JULY 1, 2013			\$2,074,000
TRANSFERS Per CAFR (Supported By Official Accounting Records)			
Plus: Non-operating Transfers In		\$0	
Less: Non-operating Transfers Out		0	
Net Transfers			0
OMB A-87 CONTRIBUTED CAPITAL BALANCE JUNE 30, 2014	(C)		\$2,074,000
PART III OMB A-87 ADJUSTMENTS BALANCE			
OMB A-87 ADJUSTMENTS BALANCE JULY 1, 2013			\$628,190
ADJUSTMENTS:			
Deductions OMB A-87 Unallowable Costs		\$0	
Additional OMB A-87 Allowable Costs		24,291	
Imputed Interest Earnings		(883)	
Total Adjustments			23,408
OMB A-87 ADJUSTMENTS BALANCE JUNE 30, 2014	(D)		\$651,598
PART IV RECON OF OMB A-87 R.E., CONTRIB CAPITAL & ADJUST BALANCES TO CAFR BALANCE			
RECONCILIATION OF OMB A-87 R.E., CONTR. CAPITAL & ADJUST. BALANCES TO CAFR		(A) + (C) + (D)	\$3,770,196

Revenue
Report (rows
hidden)

AGENCY CODE	AGENCY TITLE	REVENUE
011	House of Representatives	18,417
012	Senate	14,810
013	Joint Transportation Committee	991
014	Joint Legislative Audit and Review Commi	1,827
020	LEAP	1,429
035	Office of the State Actuary	1,591
037	Office of Legislative Support Services	1,150
038	Joint Legislative Systems Committee	1,847
040	Statute Law Committee	5,693
045	Supreme Court	5,038
046	State Law Library	8,005
048	Court of Appeals	3,704
050	Commission on Judicial Conduct	2,768
055	Administrative Office of the Courts	26,332
056	Office of Public Defense	3,445
057	Office of Civil Legal Aid	1,349
075	Office of the Governor	24,628
082	Public Disclosure Commission	6,243
085	Office of the Secretary of State	149,331
086	Governor's Office of Indian Affairs	400
087	WA ST Comm on Asian Pacific American Aff	33
090	Office of the State Treasurer	17,400
091	Redistricting Commission	(0)
095	Office of the State Auditor	15,648
099	Comm on Salaries for Elected Officials	101
100	Office of the Attorney General	133,779
101	Caseload Forecast Council	2,352
102	Department of Financial Institutions	30,607
699000	Community and Technical College System	11,480
699037	Pierce College	1,843
699072	Shoreline Community College	1,179
699075	South Puget Sound Community College	516
699096	Clover Park Technical College	4,387
Other	Not Specified	870,328
Total Revenues Per CAFR		\$24,756,163

Indirect Cost Rate Proposals

- Conduct an initial meeting with organization head to get full understanding of the scope.
 - Do you need a cost allocation plan as well, or will an ICRP suffice?
 - State, City, County – typically need a cost allocation plan in addition to ICRP(s).
 - State Agency or non-profit – need for a cost allocation plan is situational.
 - Simplified Method (single rate) means cost allocation is unnecessary
 - Multiple Rates means cost allocation is necessary
 - If a cost allocation plan is necessary, see the steps presented in the Central Service & Departmental Cost Allocation Plans section of this presentation



Indirect Cost Rate Proposals

- If no cost allocation plan is required, the ICRP process is largely an exercise in identifying which costs are indirect and which are direct.
- Collect basic financial and operational data.
- Identify administrative service departments and/or cost items
- Conduct interviews with administrative service departments.
- Review expenditure data to exclude unallowable costs

Indirect Cost Rate Proposals

- Pool all allowable indirect costs
- Identify the rate base to be used for your indirect cost rate(s)
 - Modified Total Direct Costs
 - Total direct costs excluding capital and distorting items such as pass-through funds, subcontracts over \$25k, participant support costs, etc)
 - Salaries
 - Salaries + Benefits
- Rate base chosen should result in fair distribution of costs to federal and non-federal programs.
 - If you have some federal programs with no salaries, you will not recover indirect costs if you choose a salary rate base.

Indirect Cost Rate Proposals

- Apply the indirect costs to the chosen rate base to calculate the rate
- Calculate the indirect cost rate carry-forward adjustment if using Fixed with Carry-Forward Rate type
 - $\text{Carry-forward amount} = \text{Fixed rate} \times \text{actual rate base} - \text{actual indirect costs net of carry-forward dollar amount included in fixed rate}$.
- Develop narratives describing the organization and the components of the indirect costs and the direct cost base
- Include in the narratives a description of any allocated direct costs that are not included in the ICRP calculation
- Package all allocation worksheets, narratives and other required components of submission into unified volume(s) for filing or submission to cognizant agency.

Indirect Cost Rate Proposals

- Submit indirect cost rate proposal volume(s) to cognizant agency if required along with a request for review and approval of the rate(s) for the period desired.
- Respond to inquiries and/or negotiate indirect cost rate proposal with cognizant agency if required.
- Execute an indirect cost rate agreement with the cognizant agency

Indirect Cost Rate Proposals

- Example Formats
 - Some federal agencies have very proscriptive formats that they require, for example:
 - US Dept of Interior publishes mandated format and a checklist
 - http://www.doi.gov/ibc/services/Indirect_Cost_Services/insular_areas.cfm
 - US Dept of Labor publishes a checklist and some sample exhibit formats
 - <http://www.dol.gov/oasam/boc/dcd/state-guide.htm>
 - US Department of Commerce publishes a checklist and example exhibit formats (not currently online)
 - Check with your cognizant to see whether they have specific forms or formats that they require you use.
 - My experience has been that Interior and Commerce are very particular about their formats. Other federal agencies are not as rigid so long as the required information is submitted, they are less concerned with the particular format.

Indirect Cost Rate Proposals

- Generally required calculation information
 - Summary of expenditures and other costs
 - Ties to CAFR/Expense report, adds depreciation, allocated SWCAP costs, etc
 - Classification of costs
 - Breakdown of summary of expenditures between direct and indirect
 - Summary of Federal Expenditures
 - Rate base detailed breakdown
 - Indirect cost detailed breakdown
 - Rate calculation



Indirect Cost Rate Proposals

- Example 1
 - Local government human services agency
 - US DHHS is cognizant agency

Summary of Expenditures

Also includes Rate Base in the Personnel Services column

TITLE	ORG. NO.	PERSONNEL SERVICES	OTHER OPERATING	PASS THRU	CAPITAL OUTLAYS	TOTAL EXPEND.
Special Revenue Funds						
Fund 217 - CDBG Housing Trust	F217					
Community Development Division		\$399,470	\$0	\$10,382,575	\$0	\$10,782,045
Countywide Central Services			44,109			44,109
Total Fund 217	*	399,470	44,109	10,382,575	0	10,826,154
Fund 222 - Human Services Grants						
Human Services Support						
General Services Division	2200	1,589,517	260,897	0	0	1,850,414
Countywide Central Services	2200		1,039,499	0	0	1,039,499
Subtotal		1,589,517	1,300,396	0	0	2,889,913
All Other Fund 222 Programs		16,389,282	3,520,045	21,636,246	0	41,545,573
Total Fund 222	**	17,978,799	4,820,441	21,636,246	0	44,435,486
Fund 255 - Jail Detention	F255	470,077	368,795		205,903	1,044,775
Countywide Central Services - F255			0			0
Transfers				80,388		80,388
Fund 255 - Jail Detention	F255	470,077	368,795	80,388	205,903	1,125,163
Total Special Revenue Funds		18,848,346	5,233,345	32,099,209	205,903	56,386,803
General Fund						
Fund 100 - General Fund	F100			2,319,495		2,319,495
Countywide Central Services - GF			105,023			105,023
Countywide Central Services - F222 pd by GF			187,346			187,346
Equipment Use Allowance						0
Total General Fund		0	292,369	2,319,495	0	2,611,864
Total Department Costs		\$18,848,346	\$5,525,714	\$34,418,704	\$205,903	\$58,998,667
* Total expenditures for Fund 217 reconcile to the Maricopa County CAFR page 130						
** Total expenditures for Fund 222 reconcile to the Maricopa County CAFR page 156						
Reconciliation						
Total Department Costs						\$58,998,667
Less Countywide Central Services - GF, F255 and F222 pd by GF						(\$292,369)
Net Total Expenditures						<u>\$58,706,298</u>
Pivot Expenditures Total						58,706,299
Variance (Rounding)						(\$1)

Summary of Federal Expenditures

FEDERAL GRANTOR & PROGRAM TITLE	FEDERAL CFDA #	FUND 217	FUND 222	TOTAL FUNDING
Department of Agriculture				
Child and Adult Care Food Program	10.558	\$0	\$254,091	\$254,091
Department of Health & Human Services				
Special Programs for the Aging, Title III	93.044		397,756	397,756
Temporary Assistance for Needy Families	93.558		359,932	359,932
Low-Income Home Energy Assistance	93.568		2,990,067	2,990,067
Community Services Block Grant	93.569		629,636	629,636
Head Start	93.600		22,480,725	22,480,725
Social Services Block Grant	93.667		383,602	383,602
Head Start (ARRA)	93.708		0	0
Early Head Start (ARRA)	93.709		0	0
Community Services Block Grant (ARRA)	93.710		0	0
Subtotal		0	27,241,718	27,241,718
Department of Energy				
Weatherization Assistance for Low-Income	81.042		774,464	774,464
Total Expenditures of Federal Awards		\$10,827,084	\$42,393,165	\$53,220,249

Classification of Costs

TITLE	ORG. NO.	TOTAL COSTS (EXHIBIT A)	LESS NON OPERATING	LESS CAPITAL OUTLAYS	MODIFIED TOTAL COSTS	INDIRECT COSTS
Special Revenue Funds						
Fund 217 - CDBG Housing Trust						
Community Development Division		\$10,782,045	(\$10,382,575)	\$0	\$399,470	\$0
Countywide Central Services		44,109	0	0	44,109	44,109
Total Fund 217		10,826,154	(10,382,575)	0	443,579	44,109
Fund 222 - Human Services Grants						
Human Services Support						
General Services Division	2200	1,850,414	0	0	1,850,414	1,850,414
Countywide Central Services	2200	1,039,499	0	0	1,039,499	1,039,499
Subtotal		2,889,913	0	0	2,889,913	2,889,913
All Other Fund 222 Programs		41,545,573	(21,636,246)	0	19,909,327	0
Total Fund 222		44,435,486	(21,636,246)	0	22,799,240	2,889,913
Fund 255 - Jail Detention	F255	1,044,775	0	(205,903)	838,872	0
Countywide Central Services - F255		0	0	0	0	0
Transfers		80,388	(80,388)	0	0	0
Fund 255 - Jail Detention	F255	1,125,163	(80,388)	(205,903)	838,872	0
Total Special Revenue Funds		56,386,803	(32,099,209)	(205,903)	24,081,691	2,934,022
General Fund						
Fund 100 - General Fund		2,319,495	(2,319,495)	0	0	
Countywide Central Services - GF		105,023	0	0	105,023	105,023
Countywide Central Services - F222 pd by C		187,346	0	0	187,346	187,346
Equipment Use Allowance		0	0	0	0	
Total General Fund		2,611,864	(2,319,495)	0	292,369	292,369
Total Department Costs		\$58,998,667	(\$34,418,704)	(\$205,903)	\$24,374,060	\$3,226,391

Indirect Cost
Detail – pt 1

DESCRIPTION	OBJ. CODE	TOTAL COSTS	EXCLUDED	DIRECT COSTS	INDIRECT COSTS
Personnel Services					
Salaries	0701				
Accountant		\$40,560	\$0	\$0	\$40,560
Accounting Specialist		39,250			39,250
Admin Human Resources		67,226			67,226
Assistant Director		92,373			92,373
Contracts Mgmt Administrator (vacant)		0			0
Executive Assistant (vacant)		0			0
Financial Support Supervisor (vacant)		0			0
Finance/Business Analyst (vacant)		0			0
Financial Svcs Administrator		71,323			71,323
General Services Assistant (2 positions)		21,584			21,584
Human Resources Analyst		60,174			60,174
Human Services Director		132,122			132,122
Human Services IT Manager		79,414			79,414
LAN Support Technician		39,978			39,978
LAN Support Technician		47,299			47,299
LAN Support Technician		54,226			54,226
Payroll Specialist		38,563			38,563
PC Support Supervisor		57,429			57,429
Strategic Initiatives Manager		76,939			76,939
Systems Administrator		65,957			65,957
Systems Administrator - Sr		69,243			69,243
Subtotal Salaries		1,053,660	0	0	1,053,660

Indirect Cost
Detail – pt 2

DESCRIPTION	OBJ. CODE	TOTAL COSTS	EXCLUDED	DIRECT COSTS	INDIRECT COSTS
Overtime	0710	2,649			2,649
Fringe Benefits	0750	515,331			515,331
Other Personnel Services	0790	17,880			17,880
Subtotal Personnel Services		1,589,520	0	0	1,589,520
Other Operating					
Supplies	0801	60,990			60,990
Fuel	0803	5,557			5,557
Office Equip (non-capital)	0804	54,887			54,887
Outside Services	0812	48,559			48,559
Rents	0820	38,422			38,422
Repair & Maint	0825	1,716			1,716
Internal Service Fund Charges	0839	30,199			30,199
Travel	0841	5,653			5,653
Education & Training	0842	14,768			14,768
Shipping & Postage	0843	116			116
Other	0845	27			27
Subtotal		260,894	0	0	260,894
Capital Outlays	09XX	0	0		0
TOTAL COSTS		\$1,850,414	\$0	\$0	\$1,850,414

Final Indirect
Cost Rate
Calculation (no
carry-forward)

DESCRIPTION	SUPPORTING EXHIBIT	TOTAL	
Direct Cost Base: Direct Personnel Services Costs			
Total Department Personnel Service - Actual FY 2013	IV-A	\$18,848,346	
Deductions: Indirect - General Services (2200) Actual FY 2013	V-B	(1,589,520)	
Total Direct Personnel Services Costs		\$17,258,826	
Indirect Costs			
Human Services Support (2200)	V-B	\$1,850,414	
Countywide Central Services	V-A	1,375,977	
Total Indirect Costs	V-A	\$3,226,391	
Indirect Cost Rate Computation			
Indirect Costs		\$3,226,391	18.7%
Total Direct Personnel Services Costs		\$17,258,826	



Indirect Cost Rate Proposals

- Example 2
 - State labor agency
 - US Dept of Labor is cognizant agency

Summary of Expenditures

Program Name	SALARIES	BENEFITS	SAL/FRINGE ADJUSTMENT	CONTRACTUAL SERVICES	COMMODITIES	CAPITAL	OTHER COSTS	TOTAL
Administration (01030)	\$ 4,308,367	\$ 1,523,538	\$ 2,837	\$ 2,305,638	\$ 11,555	\$ 391,079	\$ 2,595,209	\$ 11,138,223
Labor Market Information (23200)	\$ 1,099,501	\$ 428,681	\$ 956	\$ 257,074	\$ 5,791	\$ 52,353	\$ 261,682	\$ 2,106,038
Unemployment Ins. (23300)	\$ 7,853,065	\$ 3,185,451	\$ 1,042	\$ 2,672,181	\$ 74,526	\$ 2,730,276	\$ 419,915,768	\$ 436,432,309
Industrial Safety & Health (23650)	\$ 792,486	\$ 278,753		\$ 327,924	\$ 12,583	\$ 44,504	\$ 412	\$ 1,456,662
Workers Compensation (23730)	\$ 4,495,251	\$ 1,558,138		\$ 1,428,826	\$ 59,300	\$ 239,360	\$ 11,317	\$ 7,792,192
PERB (23740)*	\$ 161,455	\$ 61,982		\$ 28,277	\$ 1,028	\$ 295	\$ 35,997	\$ 289,034
Off Budget (97000)	\$ 237,996	\$ 98,695		\$ 69,704	\$ 61,706	\$ 23,193	\$ 11,244,360	\$ 11,735,654
Debt Service (98000)	\$ -	\$ -		\$ -	\$ -	\$ 2,500,000	\$ 424,007	\$ 2,924,007
Total Expenditures	\$ 18,948,121	\$ 7,135,238	\$ 4,835	\$ 7,089,624	\$ 226,489	\$ 5,981,060	\$ 434,488,752	\$ 473,874,119
KS SWCAP Allocation							\$ 65,087	\$ 65,087
2002 Building Renovation Depreciation (40yr life)							\$ 10,205	\$ 10,205
Total Costs	\$ 18,948,121	\$ 7,135,238	\$ 4,835	\$ 7,089,624	\$ 226,489	\$ 5,981,060	\$ 434,564,044	\$ 473,949,411
				excluded from Rate Base	excluded from Rate Base	excluded from Rate Base	excluded from Rate Base	
* Absorbed by Legal approximately 7/1/2013								

Classification of Costs

Program Name	TOTAL EXPENSES	DIRECT COSTS		INDIRECT COSTS
		RATE BASE		
		SALARIES & BENEFITS	OTHER OPERATING	INDIRECTS
Administration (01030)	\$ 11,138,223	\$ 3,607,960	\$ 4,792,119	\$ 2,735,307
Labor Market Information (23200)	\$ 2,106,038	\$ 1,528,182	\$ 576,900	\$ -
Unemployment Ins. (23300)	\$ 436,432,309	\$ 11,038,516	\$ 425,392,751	\$ -
Industrial Safety & Health (23650)	\$ 1,456,662	\$ 1,071,239	\$ 385,423	\$ -
Workers Compensation (23730)	\$ 7,792,192	\$ 6,053,389	\$ 1,738,803	\$ -
PERB (23740)*	\$ 289,034	\$ 223,437	\$ 65,597	\$ -
Off Budget (97000)	\$ 11,735,654	\$ 336,691	\$ 11,398,963	\$ -
Debt Service (98000)	\$ 2,924,007	\$ -	\$ 2,924,007	\$ -
Total Expenditures	\$ 473,874,119	\$ 23,859,414	\$ 447,274,563	\$ 2,735,307
KS SWCAP Allocation	\$ 65,087			\$ 65,087
2002 Building Renovation Depreciation (40yr life)	\$ 10,205			\$ 10,205
Total Costs	\$ 473,949,411	\$ 23,859,414	\$ 447,274,563	\$ 2,810,599
Direct Salaries & Benefits for Rate Base		\$ 23,859,414		

Rate Base Detail (rows hidden to fit page)

PROJECT	DESCRIPTION	SALARIES	FRINGE BENEFITS	TOTAL PERSONNEL COSTS
1212013	Bureau of Labor Statistics Current Employee Statistics (1,186	640	1,826
1212014	Bureau of Labor Statistics Current Employee Statistics (33,416	12,137	45,553
1222013	Bureau of Labor Statistics Local Area Unemployment Sta	34,176	13,203	47,380
1222014	Bureau of Labor Statistics Local Area Unemployment Sta	47,579	19,889	67,468
1232013	Bureau of Labor Statistics Occupational Employment Sta	51,452	19,383	70,836
1232014	Bureau of Labor Statistics Occupational Employment Sta	103,112	42,229	145,340
1242013	Bureau of Labor Statistics Quarterly Census of Employm	60,896	21,984	82,881
1242014	Bureau of Labor Statistics Quarterly Census of Employm	112,422	44,854	157,276
1252013	Bureau of Labor Statistics Mass Layoff Statistics (MLS)	(39)	70	31
1412013	Survey of Occupational Injuries and Illnesses (OSHS) Gr	17,240	7,622	24,862
1412014	Survey of Occupational Injuries and Illnesses (OSHS) Gr	34,122	13,572	47,694
1422013	Census of Fatal Occupational Injuries (CFOI) Grant FFY	5,956	1,917	7,873
1422014	Census of Fatal Occupational Injuries (CFOI) Grant FFY	8,497	3,589	12,086
1492014	LMIS Revenue Account SFY14	23	10	33
6722014	Workers Compensation Accident Prevention SFY14	111,253	36,755	148,009
6792013	Industrial Safety and Health Public Sector SFY13	5,771	2,008	7,778
6792014	4Industrial Safety and Health Public Sector SFY13	140,561	51,606	192,168
6862014	PERB SFY14	19,333	5,993	25,326
6912014	FED IND COST OFFSET SFY14	99,847	39,168	139,014
6952014	Workplace Safety SFY14	129,890	47,917	177,807
6962014	New Hires SFY14	87,430	43,120	130,550
6992014	Motor Pool Admin SFY14	20,652	7,649	28,303
	406/410 to General Ledger Adjustment	3,509	1,326	4,835
TOTAL:		\$ 17,323,269	\$ 6,540,978	\$ 23,864,249

Indirect Cost Detail

TITLE	DOL SECRETARY 1031-0128	LEGAL 1032-0228	FISCAL MGMT 1033-0528	HUMAN RESOURCES 1033-0628	COMMUNICATIONS 1033-0728	RECORDS MGMT 1033-1428	INFO TECHNOLOGY 1034-0828	TOTAL
Personnel Services Costs								
Salaries & Fringe Benefits	\$ 226,273	\$ 159,486	\$ 912,848	\$ 189,984	\$ 276,333	\$ 4,860	\$ 454,161	\$ 2,223,945
Personnel Services Costs Total	\$ 226,273	\$ 159,486	\$ 912,848	\$ 189,984	\$ 276,333	\$ 4,860	\$ 454,161	\$ 2,223,945
Other Operating Expenditures								
520-Communication	\$ 4,224	\$ 2,974	\$ 10,473	\$ 2,092	\$ 3,633	\$ 192	\$ 24,669	\$ 48,257
521-Freight and Express	\$ -	\$ 5	\$ 61					\$ 66
522-Printing and Advertising	\$ 128	\$ 47	\$ 3	\$ 1	\$ 1,482		\$ 9	\$ 1,670
523-Rents	\$ 1,917	\$ 1,341	\$ 2,072	\$ 1,304	\$ 428	\$ 82	\$ 10,207	\$ 17,351
524-Repairing and Service	\$ 7,574	\$ 2,300	\$ 21,324	\$ 2,096	\$ 3,872	\$ 152	\$ 55,232	\$ 92,550
525-Travel and Subsistence	\$ 410	\$ 33	\$ 7,506				\$ 2,476	\$ 10,425
526-Fees-Other Services	\$ 1,424	\$ 6,642	\$ 6,715	\$ 12,463	\$ 528	\$ 38	\$ 72,611	\$ 100,421
527-Fees-Professional Services	\$ 875	\$ 283	\$ 4,893	\$ 250	\$ 447		\$ 170,983	\$ 177,731
528-Utilities	\$ 5,781	\$ 1,814	\$ 8,316	\$ 1,451	\$ 2,841	\$ 1,049	\$ 15,567	\$ 36,819
529-Other Contractual Services	\$ 652	\$ 139	\$ 440	\$ 216	\$ 353	\$ 3	\$ 646	\$ 2,449
530-Clothing	\$ 4	\$ 1	\$ 3	\$ 1	\$ 528			\$ 537
534-Maintenance Mat'l & Supply	\$ 223	\$ 61	\$ 498	\$ 60	\$ 89	\$ 8	\$ 142	\$ 1,081
535-Vehicle Parts & Supplies	\$ 1		\$ 164		\$ 1		\$ 7	\$ 173
536-Prof. & Scientific M&S	\$ 310	\$ 967	\$ 74	\$ 1	\$ 57		\$ 168	\$ 1,577
537-Office & Data Proc. Supply	\$ 825	\$ 1,559	\$ 2,386	\$ 288	\$ 5,000	\$ 158	\$ 8,145	\$ 18,361
539-Other Supplies, Mat'l & Parts	\$ 272	\$ 77	\$ 559	\$ 137	\$ 592	\$ 10	\$ 247	\$ 1,894
561-Renovation Bond Interest	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Other Operating Expenditures Total	\$ 24,620	\$ 18,243	\$ 65,487	\$ 20,360	\$ 19,851	\$ 1,692	\$ 361,109	\$ 511,362
KS SWCAP Allocation								\$65,087
2002 Building Renovation Depreciation (40yr life)								\$10,205
							Total Expenditures	\$ 2,810,599

Indirect Cost Rate Calculation (Provisional / Final)

TITLE / DESCRIPTION	SUPPORTING EXHIBIT	PROPOSED COSTS
FY 2014 Final/FY 2016 Provisional Indirect Rates		
Rate Base		
FY 2014 Total Salaries & Benefits	Sch B	\$ 26,083,359
FY 2014 Direct Salaries & Benefits	Sch B	\$ 23,859,414
FY 2014 Indirect Salaries & Benefits	Sch D	\$ 2,223,945
Indirect Costs		
FY 2014 Indirect Salaries & Benefits	Sch D	\$ 2,223,945
FY 2014 Other Indirect Operating Expenses	Sch D	\$ 511,362
FY 2014 SWCAP	Sch A	\$ 65,087
FY 2014 - 2002 Building Renovation Depreciation (40 year life)	Sch D	\$ 10,205
FY 2014 Total Indirect Cost Pool		\$ 2,810,599
FY 2014 Final/FY 2016 Provisional Indirect Cost Rates		11.78%



Indirect Cost Rate Proposals

- Example 3
 - State wildlife agency
 - US Dept of Interior is cognizant agency

Summary of Expenditures

	Reference Page	Total Expenditures	Excludable Costs 1/	Unallowable Costs 2/	Net Expenditures	Direct Costs			Indirect Costs (Schedule E)	Total Direct & Indirect Costs
						Salaries & Wages	Fringes	Other Costs		
Divisions (all costs)										
0001 - Director's Office		4,055,125		351,278	3,703,847	442,773	161,634	201,543	2,897,897	3,703,847
1000 - Information & Education		9,439,643		825,138	8,614,505	3,472,380	1,302,983	3,839,142	-	8,614,505
2000 - Support Services		12,364,251		3,157,414	9,206,837	1,659,706	701,707	2,345,941	4,499,483	9,206,837
3000 - Field Operations		27,068,404		720,460	26,347,944	13,978,668	8,168,462	4,200,814	-	26,347,944
4000 - Wildlife Mgmt Division		18,497,525		2,830,375	15,667,150	6,671,324	2,665,134	6,330,691	-	15,667,149
6000 - Business & Finance		14,752,871		7,899,808	6,853,063	837,795	422,160	2,305,878	3,287,230	6,853,063
7000 - Investment		2,881,257		2,881,257	-	-	-	-	-	-
Subtotal (X)		89,059,076	-	18,665,730	70,393,346	27,062,646	13,422,080	19,224,009	10,684,610	70,393,345
Less Amounts Shown in Departmental Cost Section Below (Y)		(10,679,355)	-	(1,254,740)	(9,424,615)				(9,424,615)	(9,424,615)
Departmental Costs (indirect only) 4/										
0001 - Director's Office		2,897,933		36	2,897,897				2,897,897	2,897,897
2000 - Support Services Admin		146,994		-	146,994				146,994	146,994
2000 - SSD Data Processing		2,946,601		18,054	2,928,547				2,928,547	2,928,547
2000 - SSD Dev & Eng Services		217,000		53,053	163,947				163,947	163,947
6000 - BF Finance & Accounting		2,029,879		-	2,029,879				2,029,879	2,029,879
6000 - BF Support Services		2,307,245		1,183,597	1,123,648				1,123,648	1,123,648
6000 - BF Budget Control		133,703		-	133,703				133,703	133,703
Subtotal (Z)		10,679,355	-	1,254,740	9,424,615	-	-	-	9,424,615	9,424,615
Subtotal (X + Y + Z)		89,059,076	-	18,665,730	70,393,346	27,062,646	13,422,080	19,224,009	10,684,610	70,393,345
Negotiated FY13 SWCAP		248,345							248,345	
Building Use Charge		408,000							408,000	
Grand Total		89,715,421	-	18,665,730	70,393,346	27,062,646	13,422,080	19,224,009	11,340,955	70,393,345
Direct Labor (Rate Base)						27,062,646	40,484,726	59,708,735		

Indirect Cost Detail (hidden rows) (this submission also includes another indirect schedule that provides additional detail of these numbers by object of expense and by position title.

Index Descriptions	Total	6000 Labor	6100 Benefits	6200 Prof Svcs	65-6600 Travel	7000 Other Operating Exp	8100 Capital	8400 Equip	8500 Non Capital	6800 AID & 9100 Transfers	Total Expenditures	Less Capital & Non-Allocated	Indirect Costs
0001 - Director's Office													
07115 - DO PR Personnel Support	480,539	335,213	129,450	2,144	3,172	9,689	-	-	871	-	480,539	-	480,539
07116 - DO PR Training	11,355	-	-	2,415	-	7,267	-	-	1,673	-	11,355	-	11,355
07122 - DO HQ Admin Coordination	1,193,303	703,090	247,172	93,639	39,021	100,651	-	-	9,730	-	1,193,303	-	1,193,303
07137 - DO RR Admin Coordination	417,587	266,484	120,538	24,976	978	4,611	-	-	-	-	417,587	-	417,587
07140 - DO HQ Deputy Dir Admin & Coord	455,955	319,190	90,747	-	20,650	9,631	-	-	15,737	-	455,955	-	455,955
30001 Indirect Cost Leg Asst	40,600	28,996	11,604	-	-	-	-	-	-	-	40,600	-	40,600
30003 Admin Leave Payout	153,136	119,732	28,944	4,460	-	-	-	-	-	-	153,136	-	153,136
09010 - DO PR Personnel	145,458	102,487	42,430	-	505	36	-	-	-	-	145,458	36	145,422
2000 - Support Services Admin													
07093 - SS HQ Admin/Coord	146,994	119,203	26,497	-	1,294	-	-	-	-	-	146,994	-	146,994
6000 - BF Budget Control													
07263 - BF BC Budget Control	96,441	61,291	31,501	-	737	2,912	-	-	-	-	96,441	-	96,441
32015 - BF BC Budget Support	37,262	27,952	9,310	-	-	-	-	-	-	-	37,262	-	37,262
Subtotal	12,499,346	4,352,530	1,620,710	174,205	85,786	5,057,459	609,819	223,309	375,528	-	12,499,346	1,814,736	10,684,610
Negotiated FY13 SWCAP	248,345					248,345					248,345		248,345
Building Use Charge *	408,000					408,000					408,000		408,000
Grand Total	13,155,691	4,352,530	1,620,710	174,205	85,786	5,713,804	609,819	223,309	375,528	-	13,155,691	1,814,736	11,340,955
Less Non-Indirect Labor from Index 07401		-											
Indirect Labor Dollars		4,352,530											
												Indirects (excluding SWCAP) excluding new indexes	8,546,849

Indirect Cost Detail 2 (hidden rows/columns) (more indirect detail – breaks down totals by object of expense.

0001 - Director's Office 0001 - Director's Office 0001 - Director's Office 0001 - Director's Office				
Object Details	07115 - DO PR Personnel Support	07116 - DO PR Training	07122 - DO HQ Admin Coordination	07137 - DO RR Admin Coordination
6000 - PERS SVCS	335,213		703,090	266,484
6100 - ERE	129,450		247,172	120,538
6200 - P&O				
6219 - OTHER EXTERNAL FINANCIAL SERVICES				
6221 - ATTORNEY GENERAL LEGAL SERVICES			40,340	
6222 - EXTERNAL LEGAL SERVICES	1,895		2,279	
6232 - CONSTRUCTION ENGINEERING				
6241 - TEMPORARY AGENCY SERVICES			1,280	24,976
6259 - OTHER MEDICAL SERVICES				
6271 - EDUCATION & TRAINING	249	2,415	365	
6291 - VENDOR TRAVEL				
6299 - OTHER PROFESSIONAL & OUTSIDE SERVICES			49,375	
6500 - TRVL IN				
6516 - MILEAGE--PRIVATE VEHICLE	93		2,963	252
6531 - LODGING	160		5,385	527
6541 - MEALS WITH OVERNIGHT STAY			1,665	158
6542 - MEALS WITHOUT OVERNIGHT STAY	42		112	41
6599 - OTHER MISC IN-STATE TRAVEL			92	

Indirect Cost Detail 3 (hidden rows/columns) (more indirect detail – breaks down salary costs by title)

	0001 - Director's Office	0001 - Director's Office	0001 - Director's Office	0001 - Director's Office
Position Titles *	07115 - DO PR Personnel Support	07116 - DO PR Training	07122 - DO HQ Admin Coordination	30003 Admin Leave Payout
ACCOUNTANT 1				
ACCOUNTANT 2				
ACCOUNTANT 3				
ACCTG TECH 2				
ADMV ASST 1			35,038	
ADMV ASST 3				
ADMV SVCS OFFCR 1				
ADMV SVCS OFFCR 2				
ADMV SVCS OFFCR 3				
ARCH PROJ SPEC				876
ASST AG			227,784	
ASST DIR BUS & FINANCE				
ASST DIR FIELD OPS				18,330
ASST DIR INFO & EDUC			86,799	
ASST DIR SPCL SVCS				
ASST DIR WLDLF MGT				
BUDG CTRL DVMT SPCT 3				41,270
BUDG CTRL DVMT SPV				
CUST SVC REP 2				1,288

SWCAP 3% Limitation Calculation (USDOl specific)

Notes	Description	Proposed	Formula
	FY 2013 Actual PR/DJ Base Expenditures:		
A	Wildlife Restoration - Pittman-Robertson Act (PR)	\$4,459,786	
B	Sport Fish Restoration - Dingell-Johnson Act (DJ)	\$2,457,920	
C	Total FY 2013 Actual PR/DJ Base Expenditures	6,917,706	A+B
D	Multiplied by FY 2013 Negotiated Indirect Cost Rate	32.97%	
E	PR/DJ Indirect Costs Reimbursements	2,280,768	C*D
F	FY 2013 Actual PR/DJ Total Expenditures per Accounting Records	16,658,734	
G	FY 2013 PR/DJ Actual Direct Expenditures per Accounting Records	\$14,377,966	F-E
H	FY 2013 Total Direct Expenditures of State/Territorial Government	\$89,059,076	
I	Ratio of PR/DJ Actual to Total Direct Expenditures	16.14%	G/H
J	FY 2013 Central Service Cost Allocation Plan (CSCAP/SWCAP)	248,345	
K	CSCAP/SWCAP portion related to PR/DJ	<u>\$40,083</u>	I*J
	Final Apportionment of Federal Aid Funds for Fiscal Year 2013:		
L	Wildlife Restoration - Pittman-Robertson Act (PR)	13,238,992	
M	Sport Fish Restoration - Dingell-Johnson Act (DJ)	7,076,797	
N	Total Final Apportionment	20,315,789	L+M
O	Multiplied by 3% Limitation	3.0%	
P	3% Limitation	<u>\$609,474</u>	N*O
Q	If the CSCAP/SWCAP portion related to PR/DR (K) is less than the 3% limitation (P), there is no reduction to the FY 2012 CSCAP/SWCAP amount. Claim the amount from "J."	<u>\$248,345</u>	

Federal expenditures

Program Title	Expenditures
Department of Interior:	
Fish & Wildlife	20,806,628
Bureau of Reclamation	700,856
Bureau of Land Management	403,720
National Parks Service	123,169
Department of Homeland Security	
US Coast Guard	1,846,239
U S Department of Defense	
Army	547,918
AirForce	249,371
Navy	
Marines	
U S Geological Survey	280,168
Department of Agriculture	662,934
U S Department of Transportation	
Federal Highway Administration	328,147
U S Department of Agriculture	
Forest Service	824,583
Animal Plant Health Inspection Service	25,044
U S Department of Energy	67,810
Environmental Protection Agency	24,433
Total Expenditures	\$26,891,020

Indirect Rate Calc (Fixed with Carry-forward) (includes adjustments to the carry-forward for indirect costs that weren't included in the base year rate)

Title/Description		FY13 Baseline	Adjustments for FY15	FY 15 Rate
FY 2013 Direct Salaries & Wages Base	A	\$27,578,958	\$516,312	\$27,062,646
FY 2013 Indirect Cost Rate	B	32.97%		
FY 2013 Recoverable Indirect Costs	C = A * B	<u>\$9,092,782</u>		
FY 2013 Indirect Costs	D	\$8,546,849	\$2,137,761	\$10,684,610
FY 2013 SWCAP	E	\$248,345		
FY 2013 Building Depreciation	X	\$0	\$408,000	
FY 2011 Underrecovery Carryforward to FY 2013	F	\$305,071		
FY 2013 Indirect Cost Pool	G = D + E + F + X	<u>\$9,100,265</u>		
FY 2013 Recoverable Indirect Costs	C	\$9,092,782		
FY 2013 Underrecovery Carryforward to FY 2015	H = G - C	\$7,483	----->	\$7,483
FY 2015 Indirect Costs (proposed)	D	\$8,546,849	\$2,137,761	\$10,684,610
FY 2015 Building Depreciation	X	\$0	\$408,000	\$408,000
FY 2015 SWCAP	E	\$248,345	----->	\$248,345
FY 2015 Indirect Cost Pool	I = H + D + E	<u>\$8,802,677</u>		<u>\$11,348,438</u>
FY 2015 Direct Salaries & Wages Base (proposed)	A	<u>\$27,578,958</u>		<u>\$27,062,646</u>
FY 2015 Indirect Cost Rate	L = K/A			41.93%



Indirect Cost Rate Proposals

- Example 4
 - State energy agency
 - US Dept of Energy is cognizant agency
 - Agency does departmental cost plan and has multiple fixed with carry-forward rates

Departmental Cost Allocation Plan summary results

Summary Schedule									
Department	Energy Division	Utility Division	Transportation Division	Conservation Division	Well Plugging	CURB	Other	2nd Allocation Orphans	Total
1 Equipment Use	\$17,896	\$10,226	\$6,866	\$0	\$0	\$0	\$0	\$0	\$34,988
2 Statewide Cost Allocation Plan	1,763	8,898	3,415	0	0	0	0	0	14,077
3 Administrative Services	0	0	0	0	0	0	0	0	0
4 Legal Services	2,039	0	125,995	9,206	0	0	1,116,763	0	1,254,004
5 Advisory Staff	0	0	0	0	0	0	0	0	0
6 Docket Room	0	0	0	0	0	0	0	0	0
7 Executive Director/ Commissioners	56,668	239,205	105,206	0	0	0	1,378,904	0	1,779,983
8 Human Resources	12,978	54,783	24,094	0	0	0	0	0	91,856
9 Information Services	13,417	198,869	158,877	71,391	0	4,201	0	0	446,754
10 Support Services	204	10,978	11,213	31,203	0	2,999	307	0	56,904
11 Fiscal Management	56,457	144,781	74,064	1,163	0	0	3,057	0	279,521
12 Public Affairs Services	12,645	822	5,603	5,243	0	514	677,467	0	702,294
13 Energy Division Administration	0	0	0	0	0	0	0	0	0
14 Utilities Division Administration	0	244,330	0	0	0	0	0	0	244,330
15 Transportation Division Administration	0	0	0	0	0	0	0	0	0
16 Conservation Division Administration	0	0	0	1,766,119	130,601	0	0	0	1,896,721
Total Current Allocations	\$174,068	\$912,893	\$515,334	\$1,884,325	\$130,601	\$7,714	\$3,176,497	\$0	\$6,801,432

Energy Division indirect cost rate calculation

DESCRIPTION								
a.) FY 2014 Total Dept. Expenditures								\$711,076
Less: Services								(\$655)
Less: Capital								(\$4,853)
Less: Aid to Locals								(\$750)
Less: Other Assistance								(\$29,145)
Less: Transfers & Non Expense								(\$67,597)
Less: KETA								(\$21,907)
Less: KEC								\$0
b.) FY 2014 Rate Base								\$586,169
c.) Actual 2014 Indirect Costs (Cost Allocation Plan Summary Schedule p. 4)						\$174,068		\$174,068
d.) FY 2014 Carry Forward \$ Amount						\$54,246		
e.) Total Costs Incurred Net of Carry Forward Adjustment							\$228,314	
2015 Carry-forward Calculation								
f.) FY 2012 Net Indirect Cost Recoveries Allowed						\$270,935		
FY 2012 Total Dept. Expenditures				\$30,683,262				
Less: Services				(\$662,326)				
Less: Capital & Unallowable				(\$826)				
Less: Other Assistance				(\$5,065,242)				
Less: Aid to Local Units				(\$263,000)				
Less: KETA				(\$23,787,152)				
Less: KEC				(\$29,628)				
Less: Transfers				\$0				
g.) FY 2012 Rate Base						\$875,088		
h.) FY 2011 Indirect Cost Rate						30.96%		
i.) FY 2014 Billing Rate Based on FY2012 with Carry-forward							37.16%	
j.) FY 2014 Billable Recoveries (i*b)							\$217,820	
k.) FY 2016 Carry-forward Amount (e-j)								\$10,494
l.) FY 2016 Indirect Costs with Roll-forwards (c+k)								\$184,562
FY 2016 Indirect Cost Rate with Roll-forwards								31.49%
FY 2016 Indirect Cost Rate without Roll-forwards								29.70%

Utilities Division indirect cost rate calculation

DESCRIPTION									
a.) FY 2014 Total Dept. Expenditures									\$3,307,563
Less: Capital, Unallowable & Deductions									(\$33,013)
Less: Non-expense									(\$193,536)
Less: Grants									(\$12,124)
Less: Division Administration									(\$244,330)
b.) FY 2014 Rate Base									\$2,824,560
c.) Actual 2014 Indirect Costs (Cost Allocation Plan Summary Schedule p. 4)						\$912,893			\$912,893
d.) FY 2014 Carry Forward \$ Amount						\$27,080			
e.) Total Costs Incurred Net of Carry Forward Adjustment								\$939,973	
2016 Carry-forward Calculation									
f.) FY 2012 Net Indirect Cost Recoveries Allowed						\$888,477			
FY 2012 Total Dept. Expenditures				\$3,630,425					
Less: Capital & Unallowable				(\$47,891)					
Less: Grants				(\$151,041)					
Less: Non-Expense Items				(\$7,139)					
Less: Public Affairs				\$0					
Less: Division Administration				(\$209,198)					
g.) FY 2011 Rate Base						\$3,215,156			
h.) FY 2011 Indirect Cost Rate								27.63%	
i.) FY 2013 Billing Rate Based on FY2011 with Carry-forward								28.48%	
j.) FY 2013 Billable Recoveries (i*b)								\$804,435	
k.) FY 2015 Carry-forward Amount (e-j)									\$135,538
l.) FY 2015 Indirect Costs with Roll-forwards (c+k)									\$1,048,431
FY 2015 Indirect Cost Rate with Roll-forwards									37.12%
FY 2015 Indirect Cost Rate without Roll-forwards									32.32%

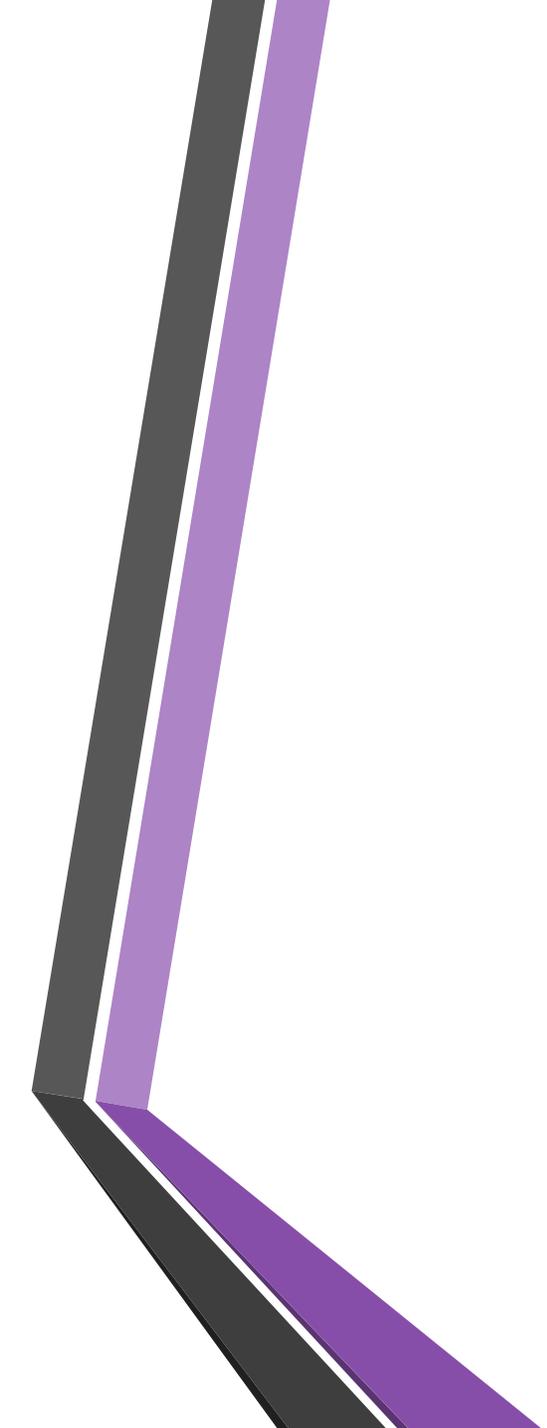


Indirect Cost Rate Proposals

- Example 5
 - State environmental agency
 - US Environmental Protection Agency is cognizant agency
 - Agency does departmental cost plan and has multiple fixed with carry-forward rates

Indirect Rates by division

Division	A FY 13/14 Fixed Rates From FY 12	B FY 13/14 Salaries	C Recovery based on fixed rates A x B	D Indirect Costs From FY 14 Cost Plan	E (Over)/Under Amount D - C	F FY 2012 Carry Fwd Amt from Neg Agree	G Calc of (Over)/ Under Recovery E + F	H Adjusted Cost D + G	I Proposed Rates 15/16 H / B
DFR - Forestry	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A	
DMF - Marine Fisheries	18.8%	11,322,949	2,128,714	2,146,285	17,571	135,898	153,469	2,299,754	20.3%
DEH - Environmental Health	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A	
DCM - Coastal Management	16.3%	2,994,640	488,126	326,943	(161,183)	90,284	(70,899)	256,044	8.6%
DWM - Waste Management	9.8%	14,551,646	1,426,061	1,432,756	6,695	158,258	164,953	1,597,709	11.0%
AQM - Aquariums	16.4%	6,524,863	1,070,078	1,396,320	326,242	86,656	412,898	1,809,218	27.7%
MNS - Museum of Natural Sciences	14.5%	7,694,226	1,115,663	1,692,390	576,727	211,763	788,490	2,480,880	32.2%
DLR - Land Resources	14.5%	5,888,173	853,785	747,381	(106,404)	(50,946)	(157,350)	590,031	10.0%
DAQ - Air Quality	12.4%	12,718,647	1,577,112	1,302,046	(275,066)	84,815	(190,251)	1,111,795	8.7%
EEP - Environmental Enhancement Program	6.4%	2,652,431	169,756	205,339	35,583	18,383	53,966	259,305	9.8%
DEA - Environmental Assistance & Customer Service	10.7%	2,771,207	296,519	199,580	(96,939)	13,606	(83,333)	116,247	4.2%
CPC - Conservation, Planning & Community Affairs	13.3%	803,244	106,831	129,325	22,494	28,178	50,672	179,997	22.4%
DWQ - Water Quality	now part of Water Infrastructure & Water Resources								
WIF - Water Infrastructure	16.7%	2,351,149	392,642	206,367	(186,275)	473,043	286,768	493,135	21.0%
DWR - Water Resources	11.1%	22,319,317	2,477,444	2,536,311	58,867	(116,989)	(58,122)	2,478,189	11.1%



Questions?