



Texas HHS Indirect Cost Rate Group

<https://texashhs.secure.force.com/GranteeLandingPage>

TIN#: 17415862303

DATE: May 26, 2021

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GRANTEE: Coastal Bend Council of Governments

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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	Next Proposal Due
	Start Date	End Date			
Fixed Carry-forward	1/1/2021	12/31/2021	25.57%*	Direct Salaries	June 29, 2022
Provisional	1/1/2022	12/31/2022	25.57%*	Direct Salaries	June 29, 2023
Provisional	1/1/2023	12/31/2023	25.57%	Direct Salaries	June 29, 2024

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.

**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. ICR Proposals must be submitted in accordance with the above timelines to continue recover indirect costs.*

HHS System Rate Based on the Following:	
Rate Base:	Direct Salaries
Rate Base Details:	Total direct salaries and wages, excluding fringe benefits. The rate applies to all programs administered by the non-federal entity. To determine the amount of indirect costs to be billed under this agreement, direct salaries and wages should be summed and multiplied by the rate. All other program costs, including fringe benefits associated with direct salaries, should be eliminated.

SECTION 2: ACCOUNTING TREATMENT OF PAID ABSENCES

Accounting Methods

Paid absences rate:	19.92%
Fringe Benefits:	Charged as incurred.
Paid Absences:	Paid Time Off (PTO) are charged as a percentage of eligible staff salaries. The rate of 19.92% is calculated by dividing the estimated total employee release time divided by total chargeable salaries less paid time off.

SECTION 3: Key Deadlines for Proposal Submissions

Submission deadlines

Next Proposal Due	Your next proposal based on actual expenditures must be submitted to the Subrecipient Landing Page no later than June 29, 2022. Include a copy of the FY20 single audit report with the proposal submission. Select the "Submit ICR Proposal" option to upload all required documents. The proposal packet must be submitted on the HHS Indirect Cost Rate Group approved ICR Proposal Packet templates. Select "Technical Assistance" to request copies of the approved templates.
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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

Coastal Bend Council of Governments

COGNIZANT AGENCY

Health and Human Services

Grantee Name

Agency Name

John Buckner

Racheal Kane, Director

Name of Grantee Signature Authority

Name of Agency Signature Authority

John Buckner

Racheal Kane

Grantee Signature

Agency Signature

Click or tap to enter a date.

5/26/2021

Grantee Signature Date

Agency Signature Date