

NEGOTIATED INDIRECT COST ALLOCATION PLAN AGREEMENT

NON-FEDERAL ENTITY
Texas Workforce Commission
101 E. 15th Street
Austin, TX 78778-0001

UEI: QGAGLVKBM6C6
EIN: 74-2764775

DATE: 4/15/2024
FILE REF.: This
replaces the agreement
dated 3/9/2023

The cost allocation plan (CAP) for indirect costs approved in this Agreement is to be use on grants, contracts, and other agreements with the Federal Government. This Agreement was negotiated by **Texas Workforce Commission** (non-Federal entity) and the **U.S. Department of Labor** in accordance with the authority contained in Title 2 of the Code of Federal Regulations, Part 200. This Agreement is subject to the limitations in Section II, A, below.

SECTION I: DEPARMENTAL INDIRECT COSTS

The U.S. Department of Labor's Cost & Price Determination Division (CPDD) has reviewed the non-Federal entity's CAP. The non-Federal entity has chosen not to employ an indirect cost rate, but to allocate actual indirect costs monthly in accordance with the CAP. The allocation methodologies delineated in the non-Federal entity's CAP are hereby approved. Attached is the Schedule of Allocated Indirect Costs by Award ID Number for the indirect costs allocated for the Final period.

<u>APPROVAL</u>	<u>FROM</u>	<u>TO</u>	<u>BASE</u>	<u>LOCATION</u>	<u>APPLY TO</u>
Final	9/1/2022	8/31/2023	FTE	Loc-I	AP-1
Provisional	9/1/2023	8/31/2025	FTE	Loc-I	AP-1

(SEE SPECIAL REMARKS)

BASE

FTE: Direct full-time equivalent (FTE) employees allocated on a monthly basis.

LOCATION

Loc-1: All Locations

APPLY TO

AP-1: All Programs

TREATMENT OF FRINGE BENEFITS: Fringe benefits are specifically identified to each employee and/or are charged individually as direct or indirect cost (as applicable). See Special Remarks section of this Agreement for more details.

TREATMENT OF PAID ABSENCES: Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

SECTION II: GENERAL

A. **LIMITATIONS**

Use of the approved indirect costs 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 CAP agreed to herein is predicated upon the following conditions:

1. No costs other than those incurred by the non-Federal entity were included in its indirect cost pool, as finally accepted and that such incurred costs are legal obligations of the non-Federal entity and allowable under the governing cost principles.
2. The same costs that have been treated as indirect costs have not been claimed as direct costs.
3. Similar types of costs have been accorded consistent treatment.
4. The information provided by the non-Federal entity or contractor which was used as a basis for acceptance of the CAP agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the CAP may be subject to renegotiation at the discretion of the Federal government.
5. The approved CAP Agreement is subject to audit.
6. Indirect costs charged to Federal grants/contracts should be adjusted to the applicable CAP cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.
7. Indirect costs approved through this Agreement are subject to ceilings stipulated in contract/grant agreements.
8. Administrative costs consist of all Direct and Indirect costs associated with the management of the non-Federal entity's programs. Non-Federal entities should refer to their contracts/grants terms and specific program legislation for the applicable definition of Administrative Costs and any related limitations.
9. The indirect cost listed in the Schedule of Allocated Indirect Costs by Award ID Number (the Schedule) for each award for the costs incurred during the fiscal year approved as Final listed in Section I. The Schedule is meant to be used to reconcile indirect costs claimed during the close-out award process.

B. **CHANGES**

This agreement is based on the accounting system purported by the non-Federal entity to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval from

the CPDD. Such changes include but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. NOTIFICATION TO FEDERAL AGENCIES

A copy of this document (original, and revised (if applicable)) is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.

D. DEFINITION OF PROVISIONAL/FINAL APPROVALS IN SECTION I

1. Final applies to actual indirect costs incurred in a specified past period. Approved final allocated indirect costs are not subject to adjustment.
2. Provisional only applies to an approved cost allocation methodology to be used for a specified future period.

E. SPECIAL REMARKS

1. Provisional/Final - CAP approval and impact to closeout adjustments:

When seeking initial reimbursement of indirect costs, a proposal must be submitted within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) that requires accounting for actual costs incurred. The non-Federal entity must submit an indirect cost proposal within six (6) months after the end of their fiscal year to establish a final CAP.

Once a final CAP is negotiated with CPDD, actual charges to Federal awards will require adjustment to settle any disallowed indirect costs. If approved final allocated costs are greater than allocated costs approved on a provisional basis and there are no funds available to cover the additional indirect costs, the non-Federal entity or contractor may not recover all indirect costs. Conversely, if the allocated costs approved on a final basis are less than allocated cost approved on a provisional basis, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities receiving Federal awards (financial assistance, grants, and cooperative agreements) - Note that even if Federal awards are administratively closed prior to the settlement of the final CAP, non-Federal entities must still comply with the following 2 CFR Part 200 clauses stating, in part:

§200.344 Post-closeout adjustments and continuing responsibilities

- (a) The closeout of a Federal award does not affect any of the following:

- (1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
- (2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

§200.345 Collection of amounts due

- (a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal Government.
 - (b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.
2. State/local agencies may charge indirect costs using (a) an indirect cost rate for certain costs such as central service costs (which is approved by the U.S. Department of Health and Human Services through the state-wide cost allocation plan, commonly known as SWCAP), and (b) also charge other indirect costs such as departmental administrative costs through a CAP. Allocated indirect costs should capture indirect costs approved through (a) and/or (b).
 3. Fringe benefits include the following: FICA, Retirement Fund, Unemployment Compensation, Group Insurance, Workers Compensation, Retiree Insurance.
 4. Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition. The capitalization threshold for equipment is \$5,000.
 5. The indirect salaries approved as part of the Rate/CAP in Section I comply with the applicable ETA TEGL 5-06 and/or Job Corps salary and bonus restrictions.
 6. Budgetary Rate: In addition to the approval of the CAP methodologies in Section I, CPDD also approved the non-Federal entity's request for a budgetary rate of \$11,462, using FTEs as the allocation base. The budgetary rate applies to the provisional period for FYE 8/31/2024 and 8/31/2025 in Section I of this CAP agreement and shall be used for planning purposes only (e.g. bidding on a Federal awards). Final indirect costs, however, are allocated based on the approved CAP methodologies approved in Section I.

ACCEPTANCE

BY THE NON-FEDERAL ENTITY

Texas Workforce Commission
101 E. 15th Street
Austin, TX 78778-0001

(Non-Federal Entity)

Chris Nelson Digitally signed by Chris Nelson
Date: 2024.04.22 13:59:53 -05'00'

(Signature)

Chris Nelson
(Name)

Chief Financial Officer
(Title)

04/22/2024

(Date)

**BY THE COGNIZANT AGENCY FOR
INDIRECT COSTS, ON BEHALF OF THE
U.S. FEDERAL GOVERNMENT**

U.S. Department of Labor
Cost & Price Determination Division
200 Constitution Ave., N.W., C-4511
Washington, DC 20210

(U.S. Federal Government Agency)

VICTOR LOPEZ Digitally signed by VICTOR LOPEZ
Date: 2024.04.19 19:23:10 -04'00'

(Signature)

Victor M. Lopez
(Name)

Chief, Cost & Price Determination Division
(Title)

4/15/2024

(Date)

Negotiated By: Ryan Symons
Office Phone: (215) 446-3741
Email: symons.ryan.a@dol.gov

(Proposal#:00002342)

Texas Workforce Commission
Statement of Allocated Indirect Costs by Award ID
FYE 8/31/2023

CFDA	Award Number	Indirect
00.000	Non-Federal Funding	\$ 2,578,087
10.561	226TX400106	10,634
10.561	236TX400106	98,934
14.401	FF206K196004	0
14.401	FF206K206004	1,642
14.401	FF206K216004	2,927
14.401	FF206K226004	79,760
14.401	FF206K236004	19,543
17.002	LM361312275J48	9,649
17.002	LM384482375J48	364,376
17.207	23A55WP000056	0
17.207	ES353722055A48	(353)
17.207	ES367832155A48	172,069
17.207	ES387592255A48	728,657
17.225	UI328681960A48	20
17.225	UI340872055A48	233,581
17.225	UI356772155A48	(363,338)
17.225	UI359722160A48	216
17.225	UI372522255A48	3,685,935
17.225	UI380082260A48	70,097
17.225	UI382492255A48	62,317
17.225	UI393512355A48	11,953,522
17.225	UI393512355A48	64,507
17.225	UI393512355A48	65,901
17.235	23A60AD000094	574
17.235	AD383002260A48	3,425
17.245	23A55TA000026	84,517
17.245	TA344722055A48	24
17.245	TA360772155A48	24,562
17.245	TA387062255A48	171,982
17.259	AA347972055A48	50,299
17.259	AA363482155A48	110,601
17.259	AA385582255A48	696,858
17.259	AA385582255A48	
17.261	MI334621960A48	12,024
17.270	PE334471960A48	2,956
17.271	WT358532155A48	2,428
17.271	WT379402255A48	99,291
17.271	WT394272355A48	50,025

CFDA	Award Number	Indirect
17.273	23A55FL000050	\$ 44,949
17.273	FL344022055A48	407
17.273	FL360242155A48	(885)
17.273	FL380892255A48	68,389
17.277	DW346522060A48	6,415
17.277	DW355012060A48	2
17.277	DW362092160A48	2,041
17.277	DW378942260A48	5,352
17.278	AA347972055A48	851
17.278	AA363482155A48	1,299
17.278	AA385582255A48	5,686
17.285	AP335141960A48	26,246
17.285	AP351102060A48	11,170
17.285	AP365132160A48	5,779
17.285	AP386462260A48	1,417
30.002	FF206K206004	0
30.002	FF206K216004	2,231
30.002	FF206K226004	129,908
84.002	V002A200044	(390)
84.002	V002A210044	179,161
84.002	V002A220044	55,896
84.002	V002A230044	0
84.126	H126A210092	7,314,145
84.126	H126A220092	9,121,463
84.126	H126A230092	2,796,353
84.177	H177B210060	33
84.177	H177B220060	186,298
84.177	H177B230060	77,192
84.421	H421D220004	3,349
93.434	90TP0088	5,412
93.558	2101TXTANF	156
93.558	2201TXTANF	9,751
93.558	2301TXTANF	408,134
93.575	2001TXCCC3	303,401
93.575	2101TXCCC5	1,703
93.575	2101TXCCDF	1,131
93.575	2101TXCDC6	3,261
93.575	2201TXCCDD	111,636
93.575	2301TXCCDD	1,131,090

Total Allocated Indirect Costs \$ 43,168,686