

**NEGOTIATED INDIRECT COST ALLOCATION PLAN AGREEMENT**

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

**EIN:** 74-2764775

**DATE:** 3/29/2022  
**FILE REFERENCE:** This  
replaces the agreement dated  
10/7/2021

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.

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**SECTION I: DEPARTMENTAL INDIRECT COSTS**

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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>APPLICABLE TO</u>
Final	9/1/2020	8/31/2021	FTE	Loc-1	AP-1
Provisional	9/1/2021	8/31/2023	FTE	Loc-1	AP-1

(SEE SPECIAL REMARKS)

**BASE:**

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

**LOCATION:**

Loc-1: All Locations

**APPLICABLE TO:**

AP-1: All Programs

**TREATMENT OF FRINGE BENEFITS:** Fringe benefits are specifically identified to each employee and 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.

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## SECTION II: GENERAL

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### 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 is to be provided by the non-Federal entity 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. Fringe benefits include the following: FICA, Retirement Fund, Unemployment Compensation, Group Insurance, Workers Compensation, Retiree Insurance.
  3. 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.
  4. 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.
  5. Budgetary Rates: In addition to the above approvals, CPDD also approved the non-Federal entity's request for the CAP budgetary rate below. This type of rate is used for planning purposes only (e.g. bidding on Federal grants). Final indirect costs, however, are allocated based on the approved CAP methodologies described in Section I.

The budgetary rate is approved as follows: \$10,245 per FTE.

**ACCEPTANCE**

**BY THE NON-FEDERAL ENTITY:**

Texas Workforce Commission  
101 E. 15<sup>th</sup> Street  
Austin, TX 78778-0001

(Non-Federal Entity)

**Chris Nelson**

Digitally signed by Chris Nelson  
Date: 2022.04.04 10:04:11 -05'00'

(Signature)

Chris Nelson

(Name)

Chief Financial Officer

(Title)

4-4-2022

(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., S-1510  
Washington, DC 20210

(U.S. Federal Government Agency)

**VICTOR LOPEZ**

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Date: 2022.04.01 11:14:19 -04'00'

(Signature)

Victor M. López

(Name)

Chief, Cost & Price Determination Division

(Title)

3/29/2022

(Date)

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

**Texas Workforce Commission**  
**Statement of Allocated Indirect Costs by Award ID**  
**FYE 8/31/2021**

<b>CFDA</b>	<b>Award Number</b>	<b>Amount</b>
00.000	Non-Federal	\$ 4,708,563
10.561	206TX106S2519	\$ 15,086
10.561	216TX400106	\$ 35,213
14.401	FF206K186004	\$ 445
14.401	FF206K196004	\$ 143,155
14.401	FF206K206004	\$ 87,396
17.002	ES334161955A48	\$ 1,455
17.002	ES353722055A48	\$ 23,507
17.002	ES367832155A48	\$ 3,882
17.002	LM319381975J48	\$ (17)
17.002	LM330972075J48	\$ 21,310
17.002	LM345812175J48	\$ 313,683
17.207	ES310151755A48	\$ 0
17.207	ES318771855A48	\$ 64,768
17.207	ES334161955A48	\$ 534,083
17.207	ES353722055A48	\$ 222,805
17.207	ES367832155A48	\$ 47,330
17.225	UI326281955A48	\$ 37,237
17.225	UI328681960A48	\$ 18,260
17.225	UI340872055A48	\$ 2,211,317
17.225	UI356772155A48	\$ 13,772,846
17.225	UI359722160A48	\$ 1
17.235	AD351972060A48	\$ 3,245
17.235	AD362512160A48	\$ 835
17.245	TA317271855A48	\$ 942
17.245	TA326801955A48	\$ 4,821
17.245	TA344722055A48	\$ 179,524
17.245	TA360772155A48	\$ 115,548
17.259	AA322051855A48	\$ (10,276)
17.259	AA332581955A48	\$ 573,659
17.259	AA347972055A48	\$ 73,091
17.261	MI334621960A48	\$ 36,499
17.270	PE334471960A48	\$ 742

<b>CFDA</b>	<b>Award Number</b>	<b>Amount</b>
17.271	WT327951955A48	\$ 47,697
17.271	WT341402055A48	\$ (8,088)
17.271	WT358532155A48	\$ 63,353
17.273	FL338801955A48	\$ 25,897
17.273	FL344022055A48	\$ 31,713
17.273	FL360242155A48	\$ 19,392
17.277	DW328121960A48	\$ 1,234
17.277	DW346522060A48	\$ 7,584
17.277	DW355012060A48	\$ 996
17.277	DW362092160A48	\$ 740
17.277	EM311411760A48	\$ 1,130
17.278	AA332581955A48	\$ 7,121
17.285	AP300911660A48	\$ 9,896
17.285	AP335141960A48	\$ 27,115
17.285	AP351102060A48	\$ 5,417
17.285	AP365132160A48	\$ 129
30.002	FF206K196004	\$ (36,930)
30.002	FF206K206004	\$ 94,519
30.002	FF206K216004	\$ 3,760
84.002	V002A190044	\$ 126,285
84.002	V002A200044	\$ 63,945
84.126	H126A190092	\$ 13,026,620
84.126	H126A200092	\$ (10,549,517)
84.126	H126A210092	\$ 12,422,585
84.177	H177B190060	\$ 61
84.177	H177B200060	\$ 52,731
84.177	H177B210060	\$ 121,850
93.558	2001TXTANF	\$ 7,147
93.558	2101TXTANF	\$ 312,680
93.575	1901TXCCDF	\$ 351
93.575	2001TXCCDF	\$ 87,814
93.575	2101TXCCC5	\$ 24,264
93.575	2101TXCCDF	\$ 768,745
97.050	4485DRTXSPLW	\$ 586
		<u>\$ 40,009,778</u>