

**U.S. Department of Labor**

Office of the Assistant Secretary  
for Administration and Management  
Washington, D.C. 20210



September 27, 2019

Damon Steffens  
Chief Financial Officer  
State of Florida Department of Economic Opportunity (DEO)  
Caldwell Building, MSC 120  
107 East Madison Street  
Tallahassee, Florida 32399

Dear Mr. Steffens:

A Negotiated Indirect Cost Rate Agreement (NICRA) is enclosed. This document reflects an understanding reached by the State of Florida Department of Economic Opportunity (DEO) and the U.S. Department of Labor concerning indirect cost rates for use on grants and contracts funded by the Department and other Federal agencies.

Please print, sign, and return an electronic copy to my email address below. Retain a copy for your files. Since the plan does not become effective until signed by a duly authorized representative of your organization, please give this matter your immediate attention.

DEO's next indirect cost rate proposal based on actual costs for the fiscal year ending June 30, 2020, is due in this office no later than December 31, 2020 and should be submitted to:

Damon Tomchick  
U. S. Department of Labor  
Office of Cost Determination  
224 Westbridge Place  
Mount Airy, NC 27030

The proposal will be used to establish final rates for the fiscal year ending June 30, 2020, and provisional rates for fiscal year ending June 30, 2022, and must be supported with documentation from the attached checklist.

ETA TEGL 6-05 - DEO did not provide a tax cost sharing plan proposal for FYE 6/30/19, because they did not collect any taxes. OCD finds this in accordance with the ETA TEGL 6-05. No other additional support is required.

ETA TEGL 15-09 – DEO provided methodology used to determine the costs associated with assessing and collecting penalties and interest costs for FYE 6/30/19, as less than 100% of the P&I collected is used for the benefit of the UC program. They do not have a cost sharing plan because they do not assess the UC tax.

If you have any questions, please contact Damon Tomchick at 202-693-4108, 240-475-2786, or by e-mail at [tomchick.damon@dol.gov](mailto:tomchick.damon@dol.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Victor M. Lopez". The signature is stylized with a large initial "V" and "L".

*for*  
Victor M. Lopez  
Director  
Office of Cost Determination

**Indirect Cost Rate Proposal – Checklist  
State Workforce Agencies**

1. Submit once unless changes are observed:
  - \_\_\_ 1a. Organizational chart,
  - \_\_\_ 1b. Employee time sheet sample, providing for distribution of hours to direct/indirect functions. Narrative explaining compliance with 2 CFR §200.430(a)(1)(2) & (3) and the standards for documentation of personnel expenses.
  - \_\_\_ 1c. Cost Policy Statement signed by a duly authorized official (example provided in the OCD's website).
2. An indirect cost rate proposal providing the following schedules:
  - \_\_\_ 2a. Personnel Costs Worksheet, including fringe benefits breakdown. Agencies may aggregate salary expense by department such as accounting, human resources, office of director, etc.
  - \_\_\_ 2b. Allocation of Personnel Worksheet, providing indirect/direct time charges.
  - \_\_\_ 2c. Fringe Benefits Worksheet, if fringes are not directly and indirectly identified.
  - \_\_\_ 2d. Statement of Total Costs, segregated between the indirect and direct costs incurred by line item of expense (salaries, fringes, rent, etc.), identified by Federal agency, specific government grant, contract, and other non-Federal activities.  
Note that the allocation base and the amount of indirect costs allocated to each funding source should be identified.
  - \_\_\_ 2e. Statement of Indirect Costs, including indirect line item of expenses, allocation base, and indirect cost rate proposed.
3. \_\_\_ Financial statements (audited if available) for the applicable fiscal year. Note: The Statement of Total Costs (2d. above) must reconcile to Financial Statements. If not, please provide a reconciliation statement.
4. \_\_\_ Signed and dated Certificate of Indirect Costs. Example provided below:

CERTIFICATE OF INDIRECT COSTS

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

(1) All costs included in this proposal [identify date] to establish billing or final indirect costs rates for [identify period covered by rate] are allowable in accordance with the requirements of the Federal award(s) to which they apply and the provisions of this Part. Unallowable costs have been adjusted for in allocating costs as indicated in the indirect cost proposal

(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.

I declare that the foregoing is true and correct.

Governmental Unit: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Official: \_\_\_\_\_

Title: \_\_\_\_\_

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

5. \_\_\_\_ A listing of grants and contracts by Federal agency, subagency, program office funding source, total dollar amount, period of performance, and the indirect cost limitations (if any) applicable to each, such as amounts restricted by administrative or statutory regulations, applicable to the period(s) of the proposal(s). This listing should also be supported by the approved Federal grant or contract notification award(s).
6. \_\_\_\_ A schedule listing any funding sources excluded from indirect cost allocation base and the reason for the exclusion.
7. \_\_\_\_ Copy of HHS approved SWCAP, if SWCAP costs are allocated to federal programs.
8. \_\_\_\_ A list of all non-UI programs that utilize the UI tax collection system, if applicable. Note that a separate cost allocation plan (CAP) must be submitted along with the above proposal if a non-UI program(s) benefit from the UI tax collection system. For more information access ETA TEGL 06-05.. A tax sharing agreement must be negotiated prior to the collection of non-UI funds using the UI tax collection system. Please refer to the attached checklist for Exhibit B for CAP supporting documentation.
9. \_\_\_\_ As required by ETA TEGL 15-09., a CAP is required when the use of moneys in a penalties and interest (P&I) fund is not limited to unemployment compensation (UC) purposes. Please refer to the attached checklist for Exhibit B for CAP supporting documentation.

**Note:** For organizations receiving funding from DOL's Employment and Training Administration (ETA), please ensure that the proposed individual compensation (salary and bonus) complies with the salary limitations established in ETA's TEGL 5-06. This document can also be access in OCD's website. The Office of Job Corps has similar salary limitations. Two additional proposal worksheets (see 2b. and 2d above) may be needed; to show ETA and/or Job Corps rates reflecting unallowable compensation and prorated amounts. If you have any questions, contact OCD.

**NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA)  
STATE DEPARTMENT/AGENCY**

**DEPARTMENT/AGENCY:** EIN: 36-4706134  
State of Florida Department of Economic Opportunity (DEO)  
Caldwell Building, 107 East Madison Street  
Tallahassee, Florida 32399-4120

**DATE:** September 27, 2019  
**FILE REF:** This replaces  
the agreement dated  
April 29, 2019

The indirect cost rate(s) contained herein are for use on grants and contracts with the Federal Government. 2 CFR Part 200, Subpart E applies subject to the limitations contained in Section II, A, below. The rate(s) were negotiated between the State of Florida, Department of Economic Opportunity (DEO) and the U. S. Department of Labor in accordance with the authority contained in 2 CFR Part 200, Appendix VII, D.1.

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**SECTION I: RATES**

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<u>TYPE</u>	<u>EFFECTIVE PERIOD</u>		<u>RATE*</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
	<u>FROM</u>	<u>TO</u>			
Final	7/1/17	6/30/18	11.8606% (a)	All	UC
Final	7/1/17	6/30/18	.7909% (b)	All	HCP
Final	7/1/17	6/30/18	.3526% (b)	All	WIA
Final	7/1/17	6/30/18	.8320% (b)	All	WTS/FSET
Final	7/1/17	6/30/18	12.8647% (a)	All	OP
Final	7/1/18	6/30/19	23.6854% (a)	All	WIHP
Final	7/1/18	6/30/19	60.7647% (a)	All	WBSP
Final	7/1/18	6/30/19	6.8654% (a)	All	WJMP
Final	7/1/18	6/30/19	56.0162% (a)	All	CDP
Final	7/1/18	6/30/19	69.5075% (a)	All	SBDP
Final	7/1/18	6/30/19	36.3103% (a)	All	FSP
Provisional	7/1/19	6/30/21	28.2888% (a)	All	WIHP
Provisional	7/1/19	6/30/21	79.2972% (a)	All	WBSP
Provisional	7/1/19	6/30/21	7.4838% (a)	All	WJMP
Provisional	7/1/19	6/30/21	58.9264% (a)	All	CDP
Provisional	7/1/19	6/30/21	40.5323% (a)	All	SBDP
Provisional	7/1/19	6/30/21	40.5829% (a)	All	FSP

**See the Special Remarks section for abbreviation explanations and additional information.**

**\*BASE**

(a) Total direct salaries and wages including all applicable fringe benefits.

(b) Total direct salaries and wages including all applicable fringe benefits plus flow-through funding.

**TREATMENT OF FRINGE BENEFITS:** Fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed in the Special Remarks Section of this Agreement.

**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 for the cost of these paid absences are not made.

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## SECTION II: GENERAL

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- 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 non-Federal entity or contractor 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) 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 non-Federal entity or contractor which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the rate(s) may be subject to renegotiation at the discretion of the Federal government.
  - (5) The rates cited in this Agreement are subject to audit.
- B. **ACCOUNTING CHANGES:** This agreement is based on the accounting system purported by the non-Federal entity or contractor 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 of the Office of Cost Determination. Such changes include, but are not limited, 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 or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.
- D. **PROVISIONAL-FINAL RATES AND ADJUSTMENTS:** When seeking initial reimbursement of indirect costs using the provisional/rate methodology, provisional rates

must be established within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) requiring to account for actual costs incurred. The non-Federal entity or contractor must submit an indirect cost rate proposal within six (6) months after the end of their fiscal year to establish a final rate.

Once a final rate is negotiated, billings and charges to federal awards 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 non-Federal entity or contractor may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities or contractors receiving a Federal cost reimbursable contract(s) - Must adhere with FAR 52.216-7(d)(2)(v), to settle final indirect cost rates typically on annual basis:

“The contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this sections, within 60 days after settlement of final indirect cost rates.”

In addition, the contractor shall provide to the Contracting Officer the noted cumulative costs schedule within 60 days of the execution of this agreement.

If the non-Federal entity or contractor has completed performance under any of the contracts covered by this Agreement, a final invoice or voucher must be submitted no later than 120 days from the date on which this Agreement is executed, following guidance from FAR 52.216-7(d)(5) and FAR 52.216-7(h).

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 final indirect cost rates, non-Federal entities still must 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.

# Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)  
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development  
 Office of Community Planning and Development  
 Community Development Block Grant Program

OMB Approval No. 2506-0193  
 exp 5/31/2018

1. Name of Grantee (as shown in item 5 of Standard Form 424) Florida	3a. Grantee's 9-digit Tax ID Number 364706134	3b. Grantee's 9-digit DUNS Number 968930664
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 107 East Madison Street, Msc 100 Tallahassee, FL 32399	4. Date use of funds may begin (10/01/2019)	
	5a. Project/Grant No. 1 B-19-DC-12-0001	6a. Amount Approved \$27,511,368.00
	5b. Project/Grant No. 2	6b. Amount Approved

**Grant Agreement:** This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Lisa A Hill	Grantee Name (Contractual Organization) Florida (Florida Departme Of Economic Opportunity)
Title CPD Director	Title <i>Chief, Bureau of Financial Management</i>
Signature 	Signature <i>Caroline Bufomach</i>
Date (mm/dd/yyyy) 9/17/2019	Date (mm/dd/yyyy) 10-15-19

7. Category of Title I Assistance for this Funding Action:  State-Administered, Sec 106(d)(1)	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (06/11/2019)	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (09/17/2019)	
		9c. Date of Start of Program Year (07/01/2019)	
11. Amount of Community Development Block Grant			
		FY (2019)	FY (2018)
a. Funds Reserved for this Grantee		\$27,511,368.00	\$ .00
b. Funds now being Approved			\$ .00
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved N/A	12b. Name and complete Address of Public Agency Florida Departme Of Economic Opportunity 107 East Madison Street, Msc 100 Tallahassee, FL 32399
<b>Loan Guarantee Acceptance Provisions for Designated Agencies:</b> The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

### HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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