

**INDIRECT COST RATE AGREEMENT  
STATE EDUCATION AGENCY**

ORGANIZATION:

DATE: \_\_\_\_\_

Missouri Department of Elementary and  
Secondary Education  
PO Box 480  
Jefferson City, MO 65101-0480

**AGREEMENT NO. 2011-062**  
**FILING REFERENCE: This replaces  
previous Agreement No. 2010-049  
dated February 2, 2010**

EIN: 44-6000987

The purpose of this Agreement is to establish indirect cost rates for use in award and management of Federal contracts, grants, and other assistance arrangements to which Office of Management and Budget (OMB) Circular A-87 applies. The rates were negotiated by the U.S. Department of Education pursuant to the authority cited in Attachment A of OMB Circular A-87.

This agreement consists of four parts: Section I - Rates and Bases; Section II - Particulars; Section III - Special Remarks; and, Section IV - Approvals.

**Section I - Rate(s) and Base(s)**

<u>TYPE</u>	<u>Effective Period</u>		<u>Rate</u>	<u>Base</u>	<u>Coverage</u>	
	<u>From</u>	<u>To</u>			<u>Location</u>	<u>Applicability</u>
Fixed	07-01-11	06-30-12	7.6%	<u>1/</u>	All	<u>A/</u>
Fixed	07-01-11	06-30-12	6.0%	<u>1/</u>	All	<u>B/</u>

1/ Total direct costs less items of equipment, alterations and renovations, flow through funds and each sub-award in excess of \$25,000.

A/ All Federal programs which do not require the use of a restricted rate as defined by 34 CFR 75.563 and 34 CFR 76.563.

B/ All Federal programs which require the use of a restricted rate as defined by 34 CFR 75.563 and 34 CFR 76.563

**Treatment of Fringe Benefits:** Fringe benefits applicable to direct salaries and wages are treated as direct costs, however, pursuant to OMB Circular A-87 – Attachment B. Paragraph 8.d.3, terminal leave costs for all employees will be allocated as an indirect cost.

**Capitalization Policy:** Equipment items having an acquisition cost of \$1,000 or more, and an estimated useful life of at least one year are capitalized, but depreciation charges are not made at this time.

**Section II – Particulars**

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**SCOPE:** The indirect cost rate(s) contained herein are for use with grants, contracts, and other financial assistance agreements awarded by the Federal Government to the Organization and subject to OMB Circular A-87.

**LIMITATIONS:** Application of the rate(s) contained in this agreement is subject to all statutory or administrative limitations on the use of funds, and payment of costs hereunder are subject to the availability of appropriations applicable to a given grant or contract. Acceptance of the rate(s) agreed to herein is predicated on the conditions: (A) that no costs other than those incurred by the Organization were included in the indirect cost pools as finally accepted, and that such costs are legal obligations of the Organization and applicable under the governing cost principles; (B) that the same costs that have been treated as indirect costs are not claimed as direct costs; (C) that similar types of information which are provided by the Organization, and which were used as a basis for acceptance of rates agreed to herein, are not subsequently found to be materially incomplete or inaccurate; and (D) that similar types of costs have accorded consistent accounting treatment.

**ACCOUNTING CHANGES:** Fixed or predetermined rates contained in this agreement are based on the accounting system in effect at the time the agreement was negotiated. When changes to the method of accounting for cost affect the amount of reimbursement resulting from the use of these rates, the changes will require the prior approval of the authorized representative of the cognizant negotiation agency. Such changes include, but are not limited to, changing a particular type of cost from an indirect to a direct charge. Failure to obtain such approval may result in subsequent cost disallowances.

**FIXED RATE:** The negotiated rate is based on an estimate of the costs, which will be incurred during the period to which the rate applies. When the actual costs for such period have been determined, an adjustment will be made in a subsequent negotiation to compensate for the difference between the cost used to establish the fixed rate and the actual costs.

**NOTIFICATION TO OTHER FEDERAL AGENCIES:** Copies of this document may be provided to other Federal agencies as a means of notifying them of the agreement contained herein.

**AUDIT:** If a rate in this Agreement contains amounts from a cost allocation plan, future audit adjustments, which affect this cost allocation plan will be compensated for during the rate approval process of a subsequent year.

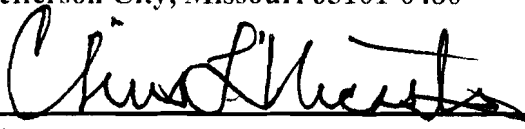
Section III - Special Remarks

1. This agreement is effective on the date of approval by the Federal Government.
2. Questions regarding this agreement should be directed to the Negotiator.
3. Approval of the rate(s) contained herein does not establish acceptance of the Organization's total methodology for the computation of indirect cost rates for years other than the year(s) herein cited.

Section IV - Approvals

For the State Education Agency:

Missouri Department of Elementary  
and Secondary Education  
PO Box 480  
Jefferson City, Missouri 65101-0480

  
\_\_\_\_\_  
Signature

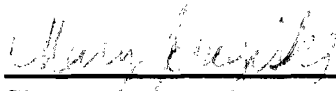
Chris L. NICASTRO  
\_\_\_\_\_  
Name

Commissioner of Education  
\_\_\_\_\_  
Title

3-9-11  
\_\_\_\_\_  
Date

For the Federal Government:

U.S. Department of Education  
OCFO/FIPAO/ICG  
550 12<sup>th</sup> Street SW  
Washington, DC 20202-4450

  
\_\_\_\_\_  
Signature

Mary Gougisha  
\_\_\_\_\_  
Name

Director, Indirect Cost Group  
\_\_\_\_\_  
Title

FEB 25 2011  
\_\_\_\_\_  
Date

Hanan Hardy  
\_\_\_\_\_  
Negotiator

(202) 245-8040  
\_\_\_\_\_  
Telephone