



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

1301 Young Street, Room 732
Dallas, TX 75202
PHONE: (214) 767-3261
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January 2, 2019

Mr. Donald D. Patrick
President & CEO
North East Community Action Corp.
16 North Court Street
P.O. Box 470
Bowling Green, MO 63334-0470

Dear Mr. Patrick:

A copy of an indirect cost Rate Agreement is being sent to you for signature. This Agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for indirect costs on grants and contracts with the Federal Government.

Please have the original signed by an authorized representative of your organization and email it to me, retaining the copy for your files. Our email is CAS-Dallas@psc.hhs.gov. We will reproduce and distribute the Agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 09/30/2018, is due in our office by 03/31/2019.

Sincerely,
Darryl W.
Mayes -S

Digitally signed by Darryl W. Mayes S
DN: cn=Darryl W. Mayes S, o=U.S. Government,
email=Darryl.W.Mayes.S@hhs.gov,
c=US, serial=1000000000, 1.1.1.1=200013146
Date: 2019.01.04 10:27:18 -0500

for Arif Karim
Director
Cost Allocation Services

Enclosures

PLEASE SIGN AND EMAIL A COPY OF THE RATE AGREEMENT

NONPROFIT RATE AGREEMENT

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DATE:01/02/2019

ORGANIZATION:

North East Community Action Corporation
16 North Court Street
P.O. Box 470
Bowling Green, MO 63334-0470

FILING REF.: The preceding
agreement was dated
09/27/2016

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III

SECTION I: INDIRECT COST RATES

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FINAL	10/01/2016	09/30/2017	16.90	On Site	All Programs
PROV.	10/01/2017	09/30/2020	16.90	On Site	All Programs

*BASE

Direct salaries and wages including all fringe benefits

ORGANIZATION: North East Community Action Corporation

AGREEMENT DATE: 1/2/2019

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

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.

ORGANIZATION: North East Community Action Corporation

AGREEMENT DATE: 1/2/2019

This organization charges all costs direct to a particular final cost objective; i.e., a particular award, project, service, or other direct activities, with the exception of the costs listed below:

1. Salaries and wages:

Executive Director	Chief Deputy Director
Finance Director	Assistant Deputy Director
Executive Secretary	Finance Specialist
IT Director	Receptionist/Clerical
Administrative Assistant	Assistant Finance Director
IT Specialist	Executive Secretary
Finance Specialists	
Computer Technician	
Personnel Assistant/Benefits Specialist	

2. Fringe benefits for the above personnel only.

3. Non-labor expenses (administrative only):

Audit Legal Fees	Space Cost
Contract Services	Supplies
Dues, Ads, Subscriptions	Telephone
Liability Insurance	Travel & Lodging
Registrations	Repair & Maintenance

4. Non-labor expenses (all; i.e., totally indirect costs):

Equipment Definition -

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

FRINGE BENEFITS: FICA, Retirement, Worker's Compensation, Life Insurance, Unemployment Insurance, Health Insurance, Dental Insurance, Vision Insurance, 401(k) Plan

The indirect cost rate(s) has/have been negotiated in compliance with the applicable Administration for Children and Families Program Instructions for the Head Start program (ACYF-PI-HS-05-01 and ACYF-PI-HS-08-03). ACYF-PI-HS-08-03, dated 5/12/2008, specifically defines "compensation" and limited the cost of "compensation" charged to any federally funded program to zero for any staff whose "compensation" exceeded the rate payable for level II of the Executive Schedule. As of January, 2017 the Executive Schedule Level II rate is \$189,600.

The next indirect cost proposal based on actual costs for the fiscal year ending 09/30/2018 is due by 03/31/2019.

ORGANIZATION: North East Community Action Corporation

AGREEMENT DATE: 1/2/2019

SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its indirect cost pool as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system purported by the organization 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 authorized representative of the cognizant agency. 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. FIXED RATES:

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. 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. USE BY OTHER FEDERAL AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

E. OTHER:

If any Federal contract, grant or other agreement is reimbursing indirect costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

BY THE INSTITUTION:

North East Community Action Corporation

(INSTITUTION)

(SIGNATURE)

Donald D Patrick

(NAME)

President & CEO

(TITLE)

1/7/19

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes - S

(SIGNATURE)

for

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

1/2/2019

(DATE) 5033

HHS REPRESENTATIVE: Tyra Tallie

Telephone: (214) 767-3261