



UNITED STATES DEPARTMENT OF COMMERCE
Economic Development Administration
Washington, DC 20230

May 19, 2017

Susan Thomas
Texoma Council of Governments
1117 Gallagher Drive
Sherman, TX 75090

Referenced: Certificate of Indirect Costs for State and Local Governments and Indian Tribes

This letter is to confirm that the Economic Development Administration (EDA) has accepted the Certificate of Indirect Costs for Texoma Council of Governments for the period May 1, 2017 through April 30, 2018 with a rate of 18.72% for General & Administrative, 10.25% for On-site, and 4.94% for Central Service Information Technology using a direct cost base type of salary and fringe. Pursuant to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (codified at 2 C.F.R. Part 200) (OMB Uniform Guidance), your organization is not required to submit an indirect cost allocation proposal or plan narrative to EDA as its Cognizant Agency. Your organization is required to develop an indirect cost proposal and retain the proposal and related documentation for audit purposes. Paragraph D.1.b. of Appendix VII to 2 C.F.R. Part 200 states:

[G]overnmental departments or agencies must develop an indirect cost proposal in accordance with the requirements of this Part and maintain the proposal and related supporting documentation for audit. These governmental departments or agencies are not required to submit their proposals unless they are specifically requested to do so by the cognizant agency for indirect costs.

When actual costs are known at the end of your fiscal year, your organization is required to account for differences between estimated and actual indirect costs by means of either: a) making an adjustment to the next year's indirect cost rate calculation to account for carry-forward (the difference between the estimated costs used to establish the rate and the actual costs of the fiscal year covered by the rate); or b) making adjustments to the costs charged to the various programs based on the actual charges calculated. Your organization's indirect cost charges will be subject to audit to determine the allowability of both direct and indirect costs.

It is important to note that your organization is still required to submit an annual Certificate of Indirect Costs to EDA no later than six months after the close of your fiscal year.

A copy of this letter will be retained in your official award file. If you have any questions, please email Bernadette Grafton of my staff at indirectcosts@eda.gov or call her at (202) 482-2917.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Borlik". The signature is stylized with a large loop and a horizontal line extending to the right.

Bryan Borlik
Director, Performance and National Programs
Economic Development Administration



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