

Local Government (LG) GATA Webinar

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Grant Accountability and Transparency Unit



Objectives

- ▶ Increase understanding of how 2 CFR 200 applies to Local Governments
- ▶ Emphasize requirements unique to Local Governments
 - Section 416: Cost Allocation Plans and Indirect Cost Rate Proposals for Local Governments
 - Appendix V: State/Local Government-wide Central Service Cost Allocation Plans
 - Indirect cost rate requirements
- ▶ GATA submission requirements for Local Governments
- ▶ Local Governments are unique – GATU will provide more training specific to this group
- ▶ Indirect Cost Rate Election System

Local Government Definition

2 CFR 200.64

Local government means any unit of government within a state, including a:

- a) County;
- b) Borough;
- c) Municipality;
- d) City;
- e) Town;
- f) Township;
- g) Parish;
- h) Local public authority, including any public housing agency under the United States Housing Act of 1937;
- i) Special district;
- j) School district;
- k) Intrastate district;
- l) Council of governments, whether or not incorporated as a nonprofit corporation under state law; and
- m) Any other agency or instrumentality of a multi-, regional, or intra-state or local government.

Requirements Unique to Local Governments

- ▶ Unique requirements for Local Governments center around indirect costs
- ▶ Indirect cost requirements have a ripple effect on other items such as:
 - Registration and prequalification
 - Fiscal and administrative risk assessment
 - Parent / child relationships
 - Illinois Stop Pay List enforcement
- ▶ All other federal Uniform Guidance requirements are the same for all grantees

Uniform Guidance Citations Specific to Local Governments

- ▶ §200.416 Cost allocation plans and indirect cost proposals
- ▶ §200.417 Interagency service
- ▶ §200.418 Costs incurred by states and local governments
- ▶ Appendix V to Part 200 — State/Local Governmentwide Central Service Cost Allocation Plans
- ▶ Appendix VII to Part 200 — States and Local Government and Indian Tribe Indirect Cost Proposals

Options for Local Government

- ▶ Local Governments can elect to negotiate indirect cost rates on an entity wide basis or by individual department or division
 - If the election is by department or division, each will be treated as a separate entity for negotiation of indirect cost rates
- ▶ Local Governments have the option to select the De Minimis Rate, if eligible, or negotiate a rate by department or division

Eligibility to Elect the De Minimis by Local Government

- ▶ Local Governments are NOT eligible to elect the De Minimis Rate if the following conditions apply:
 - The local government, department or division of a local government have negotiated a rate with the federal or state government;
 - The local government, department or division of a local government has been reimbursed for indirect costs by the federal, state or pass-through entity based on a ICR required to maintained for audit and monitoring purposes.



§200.416 Cost Allocation Plans and Indirect Cost Proposals

- ▶ For states and local governments, certain services (e.g., motor pools, computer centers, purchasing, accounting) are provided to operating agencies on a centralized basis
- ▶ Since awards are performed within the individual operating agencies, there needs to be a process to identify central service costs and assign those costs to benefitted activities on a reasonable and consistent basis
- ▶ A Central Service Cost Allocation Plan provides that process

§200.416 Cost Allocation Plans and Indirect Cost Proposals

- ▶ Individual operating agencies (governmental department or division), normally charge awards for indirect costs through an indirect cost rate
- ▶ A separate indirect cost rate proposal for each operating department or division is usually necessary to claim indirect costs under awards

§200.416 Cost Allocation Plans and Indirect Cost Proposals

- ▶ Indirect costs include:
 - The indirect costs originating in each department or division of the governmental unit carrying out awards, and
 - The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs
- ▶ Requirements for developing and submitting cost allocation plans (for central service costs and indirect cost rate proposals) are contained in appendices V and VII to 2 CFR 200

Appendix V State/Local Governmentwide Central Service Cost Allocation Plans

- ▶ As stated in 200.416, most governmental units provide certain services (e.g., motor pools, computer centers, purchasing, accounting) to operating agencies on a centralized basis
- ▶ Because awards are performed within an individual operating department or division, a process is needed for central service costs to be identified and assigned to benefitted activities on a reasonable and consistent basis
- ▶ The process to distribute costs included in the plan should include formal accounting and other records that will support the propriety of the costs assigned to federal awards

Appendix V State/Local Governmentwide Central Service Cost Allocation Plans

- ▶ Allocated Central Services – central services that benefit operating agencies but are not billed to the agencies on a fee basis.
 - Costs are allocated to benefitted agencies on some reasonable basis
 - Examples: general accounting, personnel administration, purchasing
- ▶ Billed Central Services – central services that are billed to benefitted agencies or programs on an individual fee basis
 - Examples: computer services, transportation services, insurance, and fringe benefits

Scope of the Central Service Cost Allocation Plans

- ▶ Central service cost allocation plan must be documented and include all central service costs that will be claimed (both billed and allocated) under awards
- ▶ Costs of central services omitted from the plan will not be reimbursed
- ▶ Each major local government (defined as those receiving more than \$100 million in direct federal funding) is required to submit an annual plan to its federal cognizant agency for indirect costs

Submission Requirements

- ▶ All other local governments claiming central service costs must develop a plan in accordance with the requirements described in Part V and maintain the plan and related supporting documentation for audit
 - These local governments are not required to submit their plans for federal approval unless they are specifically requested to do so by the cognizant agency for indirect costs
- ▶ If the local government only receives funds as a subrecipient, the pass-through entity will be responsible for monitoring the subrecipient's plan

Documentation Requirements for Submitted Plans

- ▶ Organization chart sufficiently detailed to show operations, including the central service activities, whether or not they are receiving central services
- ▶ Comprehensive Annual Financial Report (or copy of the Executive Budget, if budgeted cost are being proposed) to support the allowable costs of each central service activity included in the plan
- ▶ Certification that the plan was prepared in accordance with Part V, contains only allowable costs, and was prepared to treat similar costs consistently among the various state and federal awards and between federal/state and non-federal/state award activities

Include for Each Allocated Central Service

- ▶ Description of the service
- ▶ Identify unit rendering the service
- ▶ Operating departments or divisions receiving the service
- ▶ Items of expense included in the cost of the service
- ▶ Method to distribute the cost of the service to benefitted departments or divisions
- ▶ A summary schedule showing allocation of each service to the specific divisions or departments
- ▶ If self-insurance funds or fringe benefits costs are treated as allocated (rather than billed) central services, additional documentation is required

Documentation Requirements for Billed Services

- ▶ The following Information must be provided for all billed central services including internal service funds, self-insurance funds, and fringe benefit funds with an operating budget of \$5 million or more:
 - Balance sheet for each fund
 - Revenue/expenses statement, with revenues broken out by source (e.g., regular billings, interest earned)
 - Listing of all non-operating transfers (GAAP) into and out of the fund

Documentation Requirements for Billed Services (continued)

- ▶ Description of procedures (methodology) to charge costs of services to users, including how billing rates are determined
- ▶ Schedule of current rates
- ▶ Schedule comparing total revenues (including imputed revenues) generated by the service to the allowable costs of the service
- ▶ Explanation for handling variances

Documentation Requirements for Self-insurance Funds

- ▶ Fund balance sheet, a statement of revenue and expenses including a summary of billings and claims paid by department/division
- ▶ List of all non-operating transfers into and out of the fund
- ▶ Type(s) of risk(s) covered by the fund (e.g., automobile liability, workers' compensation)
- ▶ Explanation of how fund contributions are determined, including a copy of the current actuarial report (with actuarial assumptions)

Documentation Requirements for Self-insurance Funds (continued)

- ▶ If contributions are determined on an actuarial basis, include a description of procedures used to charge or allocate fund contributions to benefitted activities
- ▶ Identify and explain reserve levels in excess of claims
 - Submitted and adjudicated but not paid,
 - Submitted but not adjudicated, and
 - Incurred but not submitted

Documentation Requirements for Fringe Benefits

- ▶ Plan must include a list of fringe benefits provided to covered employees
- ▶ Overall annual cost of each type of benefit
- ▶ Current fringe benefit policies and procedures used to charge or allocate the costs of the benefits to benefitted activities

Documentation Requirements for Pension and Post-retirement Health Insurance Plans

- ▶ Governmental unit's funding policies (e.g., legislative bills, trust agreements, or state-mandated contribution rules), if different from actuarially determined rates
- ▶ Pension plan's costs accrued for the year
- ▶ Amount funded and date(s) of funding
- ▶ Copy of the current actuarial report (including the actuarial assumptions)
- ▶ Plan trustee's report, and
- ▶ Activity schedule showing the value of the interest cost associated with late funding

Carry-Forward Adjustments of Allocated Central Service Costs

- ▶ Adjustments for negotiated plans that are later determined to be unallowable
- ▶ Billed Central Service Activities must separately account for all revenues, including imputed revenue generated by the service, expenses incurred to furnish the service, and profit/loss
- ▶ Working Capital Reserves Internal service funds are dependent on a reasonable level of working capital reserves to operate from one billing cycle to the next.
 - In addition to full recovery of cost, a reserve as part of retained earnings of up to 60 calendar days cash expenses for normal operating costs is considered reasonable

Carry-Forward Adjustments of Billed Central Services

- ▶ Billing rates used to charge state and federal awards are based on estimates
- ▶ A comparison of the revenue generated by each billed service (including total revenues regardless if billed or collected) to the actual allowable costs of each service will be made at least annually
- ▶ Adjustment will be made for the difference between revenue and allowable costs

Carry-Forward Adjustments of Billed Central Services

- ▶ Adjustments will be made through one of the following methods:
 - Cash refund including earned and imputed interest
 - Credits to amounts charged to individual programs
 - Adjustments to future billing rates

- ▶ If total adjustment amount for a particular service (federal and non-federal) exceeds \$500,000, adjustment method(s) must be in accordance with cognizant agency claims collection regulations

Indirect Cost Rates For Local Governments

Local Government Indirect Cost Rates – Simplified Allocation

- ▶ Where a governmental unit's department or agency has only one major function, or where all its major functions benefit from the indirect costs to approximately the same degree, the allocation of indirect costs and the computation of an indirect cost rate may be accomplished through simplified allocation procedures

Local Government Indirect Cost Rates

– Not too Simple Allocation

- ▶ Where a governmental unit's department or division has several major functions which benefit from its indirect costs in varying degrees, the allocation of indirect costs may require the accumulation of such costs into separate cost groupings which are allocated individually to benefitted functions through a base which best measures the relative degree of benefit
- ▶ The indirect costs allocated to each function are then distributed to individual awards and other activities included in that function by means of an indirect cost rate(s)

Specific Methods for Allocation of Indirect Cost

Local Governments have specific methods for allocating indirect costs and computing indirect cost rates including:

- ▶ Simplified Method
- ▶ Multiple Allocation Base Method

Simplified Method

Where a non-federal entity's major functions benefit from its indirect costs to approximately the same degree, the allocation of indirect costs may be accomplished by

- ▶ Classifying the non-federal entity's total costs for the base period as either direct or indirect, and
- ▶ Dividing total allowable indirect costs (net of applicable credits) by an equitable distribution base

Multiple Allocation Base Method

- ▶ Where a non-federal entity's indirect costs benefit its major functions in varying degrees, such costs must be accumulated into separate cost groupings
- ▶ Each grouping must be allocated individually to benefitted functions by means of a base which best measures the relative benefits
- ▶ Cost groupings should be established to permit the allocation of each grouping on the basis of benefits provided to the major functions

Multiple Allocation Base Method

- ▶ Each grouping should constitute a pool of expenses that are of like character in terms of the functions they benefit and the allocation base which best measures the relative benefits provided to each function
- ▶ Number of separate groupings should be limited taking into consideration the materiality of the amounts involved and the degree of precision needed
- ▶ Typical cost grouping would be multiple facilities, accounting, administrative and personnel

Multiple Allocation Base Method

- ▶ When expenses in a group are more general, the allocation should utilize a base which produces results equitable to both the awarding agency and the governmental unit
- ▶ In general, any cost element or related factor associated with the governmental unit's activities is potentially adaptable for use as an allocation base provided:
 - It can be readily expressed in terms of dollars or other quantitative measures (e.g., total direct costs, direct salaries and wages, staff hours applied, square feet used, hours of usage, number of documents processed, population served), and
 - It is common to the benefitted functions during the base period

Multiple Allocation Base Method

- ▶ Except where a special indirect cost rate(s) is required, separate groupings of indirect costs allocated to each major function must be aggregated and treated as a common pool for that function
- ▶ Costs in the common pool must be distributed to individual awards included in that function by use of a single indirect cost rate

Multiple Allocation Base Method

- ▶ The distribution base used in computing the indirect cost rate for each function may be:
 - Modified total direct costs (excluding capital expenditures and other distorting items such as pass-through funds, subawards in excess of \$25,000, participant support costs),
 - Direct salaries and wages, or
 - Another base which results in an equitable distribution
- ▶ An indirect cost rate should be developed for each separate indirect cost pool
- ▶ The rate in each case should be stated as the percentage relationship between the particular indirect cost pool and the distribution base identified with that pool

Submission of Indirect Cost Rate Proposals

- ▶ All departments or agencies of the governmental unit that want to claim indirect costs under awards must prepare an indirect cost rate proposal and related documentation to support those costs
- ▶ The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in §200.333 Retention Requirements for Records

Submission of Indirect Cost Rate Proposals

- ▶ Governmental department or division unit that receives more than \$35 million in direct federal funding – must submit its indirect cost rate proposal to its federal cognizant agency for indirect costs
- ▶ A governmental department or division unit that receives less than \$35 million – must develop and maintain supporting documentation for audit
- ▶ Non-federal entities that only receive funds as a subrecipient, the pass-through entity is responsible for negotiating and/or monitoring the subrecipient's indirect costs

Submission of Indirect Cost Rate Proposals

- ▶ Indirect cost proposals must be developed (and, when required, submitted) within six (6) months after the close of the governmental unit's fiscal year
- ▶ An exception to this due date may be approved by the state and/or federal cognizant agency for indirect costs

Documentation of Indirect Costs Rate Proposals

- ▶ Rates proposed, including subsidiary work sheets and other relevant data, cross referenced and reconciled to the financial data
- ▶ Allocated central service costs supported by the summary table included in the approved central service cost allocation plan
- ▶ Copy of financial data (e.g., financial statements, comprehensive annual financial report, executive budgets, accounting reports) upon which the rate is based
- ▶ Adjustments resulting from the use of unaudited data will be recognized, where appropriate, by the cognizant agency for indirect costs in a subsequent proposal

Documentation of Indirect Cost Rate Proposals Continued

- ▶ Approximate amount of direct base costs incurred under awards*
 - Costs should be broken out between salaries and wages and other direct costs
- ▶ Chart of the organizational structure* during the period for which the proposal applies
- ▶ Functional statement(s)* noting the duties and/or responsibilities of all units that comprise the agency
- ▶ Required certification

(*Submitted once; subsequent proposals will include revisions only)

GATA Submission Requirements for Local Government

GATA Submission Requirements

- ▶ With federal approval, a GATA pilot was implemented incorporating subrecipient monitoring with the centralization of indirect cost rate negotiation
 - Grantees/subrecipients that receive direct federal, state and federal pass-through funding are required to submit their central services cost allocation plans and indirect cost rate for a monitoring review
- ▶ The pilot removes duplication of effort as one monitoring review addresses both the central services cost allocation plan and the indirect cost rate

Pilot Scope and Benefits

- ▶ Under GATA's pilot for monitoring central services cost allocation plans and indirect cost rates, the following steps are performed:
 - Submission requirements for the CSCAP and the indirect cost rate are collected and reviewed
 - Allocation methodology is reviewed for reasonableness and consistent application
 - Costs are reviewed for allowability
 - Mathematical accuracy is verified
- ▶ This approach allows state agencies to apply rate(s) without performing additional monitoring activities to ensure the allocation methodologies are in compliance with federal rules

Monitoring Pilot Results

- ▶ Pilot efforts have identified instances of local government central services cost allocation plan issues including incomplete submissions, lack of documentation, mathematical errors, unallowable costs and allocation methods that do not meet federal standards
- ▶ Many of these plans were prepared by accounting and consulting firms specializing in indirect cost rate negotiation
- ▶ If these errors and omissions are identified in the Single Audit, it will result in questioned costs
- ▶ Results justify continuance of the pilot

Local Governments are Unique

- ▶ Illinois' Local Government structure is unique
- ▶ Federal Uniform Guidance and GATA requirements are basically the same for all grantees – with the exception of indirect costs
- ▶ Indirect Costs and Central Services Cost Allocation Plans are very technical areas
- ▶ If your Local Government needs assistance in this highly specialized area, consider hiring a consultant with experience in indirect costs

GATA Indirect Cost Rate Election System

The following items require action

Please [scroll down](#) to the 'Indirect Cost Rates' section to make your ICR election for this fiscal year.

Organizations: [zz Test Organization #1](#) [Edit](#)

GATA ID: **687797**

State cognizant agency: **Management And Budget (507)**

Contact for assistance: Aaron.Doty@illinois.gov

You are signed in as: **Aaron.Doty (addoty@gmail.com)**

Parent Organization: **zz Test Organization #1** [View](#)

[+](#) **Notes / Comments**

[Add Note](#)

[+](#) **Pre-Qualification Status**

[+](#) **Risk Assessments**

[View Assessments](#)

[-](#) **Indirect Cost Rates**

Indirect costs are those costs incurred for common or joint objectives that cannot be identified readily and specifically with a particular sponsored project. In order to be reimbursed these costs, your organization is required to make an ICR election every fiscal year.

Current ICR Election: **None** [Make Election](#)

[+](#) **Notice Of State Awards (NOSA)**

[+](#) **Audit Report Review**

[+](#) **Portal Access and Contacts**

Illinois Grant Accountability and Transparency Act Grantee Portal - Indirect Cost Rate Election

[Grantee Portal](#) / [ICR Elections](#) / ICR Election

Please select this organization's indirect cost rate election for period: **7/1/2018 - 6/30/2019**

Waive

"Waive" indirect cost reimbursements from all awards (No Rate).

More Info

De Minimis

Elect the De Minimis Rate of 10% of modified total direct costs (MTDC).

More Info

State NICRA

Negotiate and Indirect Cost Rate Agreement (NICRA) with the State of Illinois.

More Info

Federal FRMI

Submit a copy of your Federal Rate Maintained Internally (FRMI).

More Info

Federal NICRA

Submit a current copy of a Federally Negotiated Indirect Cost Rate Agreement (NICRA).

More Info

For additional assistance with electing an indirect cost rate [click here for the ICR manual](#).

For more information on indirect cost rates in general please visit the [GATA Resource Library by clicking here](#).

Waive

This election allows the grantee to voluntarily decline an indirect cost rate. By electing the "waive" option, the grantee is communicating that their organization will NOT seek indirect cost reimbursement from any State or Federal pass-through awards, even if the award is subject to programmatic restrictions or limitations. Once selected and certified;

- This voluntarily "waiving" of all indirect cost reimbursement will be communicated to all State of Illinois awarding agencies.
- This voluntarily "waiving" of all indirect cost reimbursement will remain in effect for the duration of the grantee's fiscal year. If there is a change in an indirect cost rate election, reimbursement of indirect costs will be subject to the availability of grant funds.

[ICR Election Home](#)[Select Waive](#)

ELECTION: Waive Indirect Cost Rates

[More Information](#)

Select or explain why your organization is waiving indirect costs. Check all that apply.

- ☐ My organization only receives fee for service or fixed rate awards.
- ☐ My organization covers all indirect costs from other funding sources such as fundraising, private donations or other income.
- ☐ My organization only receives awards that include limitations or caps on indirect costs.
- ☐ My organization does not have the capacity to develop an indirect cost rate proposal.
- ☐ My organization does not have the capacity to apply an indirect cost rate, including the de minimis rate.
- ☐ My organization will not receive any additional grant funding to cover indirect costs.

Other, please explain:

CERTIFICATION: To certify this organization's election, please confirm the following:

- ☐ I certify my organization is electing to waive indirect cost reimbursements from all State and Federal pass-through awards.
- ☐ I certify that I am a legal representative of this organization authorized to make this election.

My Name:

My Title:

[Cancel](#)

[Submit Election](#)

De Minimis Rate

This indirect cost rate election allows the grantee to charge the De Minimis rate of 10% of modified total direct costs (MTDC) to all State or Federal pass-through awards, subject to programmatic restrictions or limitations. Once selected and certified;

- The De Minimis Rate will be accepted by all State awarding agencies
- The De Minimis Rate will remain in effect for the duration of the grantee's fiscal year. If there is a change in an indirect cost rate election, reimbursement of indirect costs will be subject to the availability of grant funds.

De Minimis Eligibility Requirements

Nonprofits and non-federal entities, other than local governments, are eligible to elect the De Minimis rate if their organization never received a Federal or State of Illinois negotiated indirect cost rate agreement (NICRA).

A Local Government or its individual departments and agencies are eligible to elect the De Minimis rate if all the following apply:

1. A Local Government or its departments and agencies individually receive less than \$35 Million in direct federal funding (DFF) on an annual basis.
2. A Local Government or its departments and agencies individually never charged indirect cost reimbursement on Federal, Federal pass-through or State awards through the use of an internally prepared indirect cost rate or indirect cost rate proposal (Non-negotiated rate)
3. A Local Government or its departments and agencies individually never received a Federal or State of Illinois negotiated indirect cost rate agreement (NICRA).

NOTE: If eligible, first time State and Federal NICRA applicants will be given the option to charge the De Minimis Rate to State and Federal pass-through awards while their State or Federal NICRA is being negotiated. Please see State or Federal NICRA elections for more information regarding this interim indirect cost rate option.

[ICR Election Home](#)

[Select De Minimis](#)

ELECTION: De Minimis Rate[More Information](#)

Select or explain why your organization is electing the de minimis rate in lieu of negotiating an indirect cost rate. Check all that apply.

☐ My organization generally covers all indirect costs from other funding sources such as fundraising, private donations or other income.

☐ My organization does not have the capacity to develop an indirect cost rate proposal.

☐ My organization only receives awards that include limitations or caps on indirect costs.

☐ My organization will not receive additional grant funding to cover indirect costs exceeding the de minimis rate.

☐ My organization does not want to spend the time and effort to negotiate a rate on an annual basis.

Other, please explain:

To certify this organization's election, please confirm the following:

☐ I certify my organization is electing the de minimis rate for all State and Federal pass-through awards.

☐ I certify my organization has never negotiated an indirect cost rate.

☐ I certify that I am a legal representative of this organization authorized to make this election.

My Name:

My Title:

[Cancel](#)

[Submit Election](#)

State NICRA

This indirect cost rate option is available to all eligible grantees seeking a negotiated indirect cost rate agreement (NICRA) from the State of Illinois on an annual basis. This election requires all grantees to develop and submit an Indirect Cost Rate Proposal (ICRP) to the State of Illinois annually for review, negotiations and approval. Once approved;

- a State NICRA will be accepted by all State of Illinois awarding agencies
- a State NICRA will allow the grantee to charge indirect costs to State and Federal pass-through awards, subject to programmatic or statutory limitations. Reimbursement of indirect costs will be subject to the availability of grant funds.
- a State NICRA will be issued for the duration of the grantee's fiscal year and will remain in effect until the grantee's next fiscal year end. Subsequent ICRPs are required to be submitted annually within (6) months of the grantee's fiscal year end.

State NICRA Eligibility Requirements

Nonprofits and non-federal entities, other than local governments, that receive Direct Federal Funding (DFF) are not eligible to negotiate a State NICRA. These non-federal entities must negotiate an indirect cost rate with their federal cognizant agency.

A Local Government or its individual departments and agencies that receive less than \$35 Million in direct federal funding annually are eligible to elect the following State NICRA options;

1. If a Local Government or its individual departments and agencies receive any amount of Direct Federal Funding (DFF), per 2 CFR 200 Appendix VII, the department or agency is required to develop an ICRP for use on federal awards and maintain for audit purposes. The State of Illinois requires this ICRP documentation to be submitted by the local government annually for review and monitoring purposes. Once reviewed and accepted, this Federally Maintained ICRP will be treated as a State NICRA.
2. If a Local Government or its individual departments and agencies only receive Federal pass-through funding (no Direct Federal Funding), the grantee will submit its ICRP to the state for negotiations and approval of a State NICRA.

NOTE: If eligible, first time State NICRA applicants will be given the option to charge the De Minimis Rate to State and Federal pass-through awards while their State or Federal NICRA is being negotiated.

NOTE: All review, negotiations and approvals of State NICRA applications or ICRPS will be performed centrally by a contractor through a secondary system.

[ICR Election Home](#)

[Select State NICRA](#)

Illinois Grant Accountability and Transparency Act Grantee Portal - Indirect Cost Rate Election

[Grantee Portal](#) / [ICR Elections](#) / [ICR Election](#) / State NICRA

ELECTION: State NICRA (Local Government)

[More Information](#)

Does your organization currently receive any direct federal funding?

Yes

No

CERTIFICATION: To certify this organization's election, please confirm the following:

☐ I certify my local government, department or agency is electing to negotiate an indirect cost rate with the State of Illinois.

☐ I certify my organization only receives federal pass-through funding on an annual basis.

☐ I certify that I am a legal representative of this organization authorized to make this election.

Can you use the temporary De Minimis rate? (This is optional)

If your organization has never negotiated an indirect cost rate then you can use de minimis rate while your state rate is being negotiated. To use the de minimis rate, the following must be certified:

☐ I certify my organization has never negotiated an indirect cost rate.

My Name:

My Title:

[Cancel](#)

[Submit Election](#)

Illinois Grant Accountability and Transparency Act Grantee Portal - Indirect Cost Rate Election

[Grantee Portal](#) / [ICR Elections](#) / [ICR Election](#) / State NICRA

ELECTION: State FRMI (Local Government)

[More Information](#)

Does your organization currently receive any direct federal funding?

Yes

No

CERTIFICATION: To certify this organization's election, please confirm the following:

☐ I certify my local government, department or agency receives less than \$35 million in direct federal funding.

☐ I certify that I am a legal representative of this organization authorized to make this election.

My Name:

My Title:

[Cancel](#)

[Submit Election](#)

Federal NICRA

This indirect cost rate election allows the grantee to charge a current Federal NICRA to all State or pass-through awards, subject to programmatic restrictions or limitations. This election requires all grantees to submit a copy of its most current Federal NICRA and Cost Policy Statement (CPS) for review and recording purposes. Once finalized;

- a Federal NICRA will be accepted by all State of Illinois awarding agencies
- a Federal NICRA will remain in effect for the period specified in the agreement by the Federal Cognizant agency

NOTE: If eligible, first time Federal NICRA applicants will be given the option to select the De Minimis Rate option while their Federal NICRA is being negotiated.

[ICR Election Home](#)

[Select Federal NICRA](#)

ELECTION: Federal NICRA

[More Information](#)

Please upload a copy of your organization's Federal NICRA and Cost Policy Statement (PDF only):

[Upload file](#)

To certify this organization's election, please confirm the following:

- ☐ I certify my organization has a current Federal NICRA and Cost Policy Statement.
- ☐ I certify that I am a legal representative of this organization authorized to make this election.

My Name:

My Title:

[Cancel](#)

[Submit Election](#)

The following items require action

Please [scroll down](#) to the 'Indirect Cost Rates' section to make your ICR election for this fiscal year.

Organizations: [zz Test Organization #1](#) [Edit](#)

GATA ID: **687797**

State cognizant agency: **Management And Budget (507)**

Contact for assistance: Aaron.Doty@illinois.gov

You are signed in as: **Aaron.Doty (addoty@gmail.com)**

Parent Organization: **zz Test Organization #1** [View](#)

[+](#) **Notes / Comments**

[Add Note](#)

[+](#) **Pre-Qualification Status**

[+](#) **Risk Assessments**

[View Assessments](#)

[-](#) **Indirect Cost Rates**

[Election List](#)

Indirect costs are those costs incurred for common or joint objectives that cannot be identified readily and specifically with a particular sponsored project. In order to be reimbursed these costs, your organization is required to make an ICR election every fiscal year.

Current ICR Election: **State rate in progress / Federal communication rejected** [View / Change](#)

Reason for denial: **GATU reason for rejecting the letter will be here.**

The Grant Accountability and Transparency Unit (GATU) has rejected the federal refusal communication you uploaded. You may upload a different file by clicking the 'Edit This Election' button or change your election by clicking the 'Make New Election' button.

Optional De Minimis Available. Provided your organization has never negotiated an indirect cost rate you may use the de minimis rate until you have a finalized negotiated rate.

Questions?

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