

**Indirect Cost Rate Proposal - Checklist<sup>1</sup>**  
**OMB Circular A-87 - State & Local Governments**  
**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.
  - \_\_\_ 1c. Cost Policy Statement signed by a duly authorized official (sample provided in the DCD 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 (sample form is provided in the DCD website).
  
5. \_\_\_ A listing of grants and contracts by Federal agency, subagency, program office funding source (including ARRA - American Recovery and Reinvestment Act), 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](#).

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<sup>1</sup> Refer to the following website to obtain samples of indirect cost proposal exhibits, employee timesheet, certification and cost policy statement: <http://www.dol.gov/oasam/programs/boc/costdeterminationguide/main.htm>

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.

- 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 CAP supporting documentation.

No CAP is required if your agency used the P&I fund only for UC purposes during this period. The agency, however, must certify the following under those circumstances:

Certification of Compliance with TEGL 15-09 when P&I funds be used for UI purposes only

I hereby certify that 100% of the P&I collected by this Agency SWA was used only for the benefit of UC and the benefit of the UI program.

State Workforce Agency Name:\_\_\_\_\_;

Signature of Certifying Official:\_\_\_\_\_;

Printed Name of Certifying Official\_\_\_\_\_;

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

Phone Number\_\_\_\_\_;

Email Address:\_\_\_\_\_;

Date\_\_\_\_\_.

**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 be accessed in ETA's website: <http://wdr.doleta.gov/directives/attach/TEGL/TEGL05-06.pdf>. 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 DCD.