

PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
PENNSYLVANIA DEPARTMENT OF EDUCATION

TO: LEAs participating in the School-Based ACCESS Program

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DATE: December 8, 2017

SUBJECT: Unrestricted Indirect Cost Rates in the School-Based ACCESS Program

Indirect costs are an allowable component of the Local Education Agencies' (LEA) reimbursement within the School-Based ACCESS Program (SBAP). In order to include indirect costs as part of the reimbursement calculation, an LEA-specific unrestricted indirect cost rate (UICR) must be established.

The Department of Education (PDE) is the cognizant agency for LEAs and has the authority to certify a UICR to claim indirect costs for the SBAP.

If the LEA would choose to apply for a UICR, indirect cost schedules will have to be completed as part of the FY2015-16 Annual Financial Report (AFR). *LEAs are strongly encouraged to apply for a UICR as soon as possible.* Refer to the instructions below on how to apply for a UICR.

It is important to note that if the LEA does NOT apply for and receive an LEA-specific UICR, a zero rate will be applied and no indirect costs will be included, resulting in decreased SBAP reimbursement for your LEA.

Instructions to Apply for an Unrestricted Indirect Cost Rate

PDE is aware that all FY2015-16 AFRs have been submitted and fully approved. However, a full revision of the AFR is not necessary. In order to complete the schedules to request an unrestricted indirect cost rate the LEA should do the following:

1. Send an email to RA-EDPDEINDIRECTCOST@pa.gov to request that the Indirect Cost Schedules be returned.
2. The LEA will log into the Consolidated Financial Reporting System and open the FY2015-16 Annual Financial Report (AFR)

3. The LEA will only be able to revise the Indirect Cost Schedules and will not be able to make changes to any other part of the AFR.
 - a. If further changes are required to other parts of the AFR, the LEA will have to complete a revision and should contact RA-Schlfin@pa.gov for further instruction.
4. In order to indicate the LEA wants to apply for a rate:
 - a. In the left-hand navigation menu, click on Data Entry, Special Schedules and the gray triangle to the left of Indirect Costs. This will drop down the menu of schedules to complete.
 - b. The Indirect Cost home screen will include three options with check boxes next to them:
 - i. Check here if you are NOT requesting an Indirect Cost Rate
 - ii. Unrestricted Rate Requested
 - iii. Restricted Rate Requested
 - c. To apply for an Unrestricted Indirect Cost Rate, click the box beside "Unrestricted Rate Requested"
 - d. Click Save Complete at the bottom of the screen. This will save the selection.
5. For the unrestricted indirect cost rate, three schedules are required to be completed
 - a. Proprietary Expense Detail
 - b. Subcontract/Subaward
 - c. Paid Leave
6. The LEA will still have to go into the Restricted Rate Adjustment and Plant Maintenance Cost Schedules and click "No Data To Report" and Save Complete.

The department is also required to collect an organizational chart effective during the reporting year. Normally this would be uploaded as part of the AFR submission. However, since we are not returning the entire AFR, it is unknown if uploads will be allowed in the system. Therefore, to mitigate any issues, we ask that you provide the organizational chart in an email to RA-EDPDEINDIRECTCOST@pa.gov.

After the LEA completes the required schedules, the department will review the schedules and approve them if no corrections need made. If corrections are required, the LEA contact person will receive notification through email of any corrections.

The calculation of the rates for FY2017-18 are still being certified. After the calculations are finalized and certified, they will be available on CFRS and FAI.

For more information on how to complete the schedules and general information regarding indirect cost rates, please contact RA-EDPDEINDIRECTCOST@pa.gov.

Instruction manuals and other helpful information can be found at [ftp://copaftp.state.pa.us/pub/PDE_PUBLIC/Indirect Cost Training](ftp://copaftp.state.pa.us/pub/PDE_PUBLIC/Indirect_Cost_Training).