

## Grant Modification / Notice of Award

U.S. DEPARTMENT OF LABOR / EMPLOYMENT AND TRAINING ADMINISTRATION

<b>GRANT MODIFICATION</b>		<b>No. 3</b>	PROJECT: American Apprenticeship Initiative	
GRANT NUMBER: AP-33505-19-60-A-41	EIN: 371737848	EFFECTIVE DATE: 05/16/2022	PAGE 1	
GRANTEE: HIGHER EDUCATION COORDINATING COMMISSION 255 CAPITOL ST NE SALEM, OREGON 97310-0103		ISSUED BY U.S. DEPARTMENT OF LABOR / ETA DIVISION OF FEDERAL ASSISTANCE 200 CONSTITUTION AVENUE NW - ROOM N-4716 WASHINGTON, DC 20210		

**Action:**

1. To realign the budget and budget narrative in accordance with pages 2 to 11 of this modification.
2. To modify the existing Statement of Work in accordance with pages 12 to 14 of this modification.
3. To revise Item 5: Indirect Cost Rate and Cost Allocation Plan and incorporate the June 30, 2021 Indirect Cost Rate agreement in accordance with pages 15 to 19 of this modification.
4. To change the Authorized Representative from Karen Humelbaugh to Julia Steinberger.

Julia Steinberger  
Interim Director, Office of Workforce Investments  
Julia.steinberger@hecc.oregon.gov  
971-345-1136

YEAR / CFDA PROGRAM ACCOUNT ID	Mod 0-2 CURRENT LEVEL	Mod 3 MODIFICATION	NEW LEVEL	PMS DOC #
PY 18 / 17.285 APPRENTICESHIP STATE FUNDS <small>18-1630-2019-0501741819BD201901740024185AP001A0000AATELSAATELS- A90600-410023-ETA-DEFAULT TASK-</small>	\$1,132,574.79	\$0.00	\$1,132,574.79	AP33505FT1
<b>TOTAL FUND AVAILABILITY</b>	<b>\$1,132,574.79</b>	<b>\$0.00</b>	<b>\$1,132,574.79</b>	

Except as modified, all terms and conditions of said grant /agreement remain unchanged and in full effect.

Approved by



**BRINDA RUGGLES**

Grant Officer

Date Signed

06/01/2022

**BUDGET INFORMATION - Non-Construction Programs**

OMB Number: 4040-0006  
Expiration Date: 01/31/2019

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. State Apprenticeship Expansion Grant	17-285	\$ 0.00	\$ 0.00	\$ 1,132,574.79	\$ 0.00	\$ 1,132,574.79
2.						
3.						
4.						
<b>5. Totals</b>		\$ 0.00	\$ 0.00	\$ 1,132,574.79	\$ 0.00	\$ 1,132,574.79

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	State Apprenticeship Expansion Grant				
<b>a. Personnel</b>	\$ 17,056.80	\$	\$	\$	\$ 17,056.80
<b>b. Fringe Benefits</b>	8,203.54				8,203.54
<b>c. Travel</b>	197.52				197.52
<b>d. Equipment</b>	0.00				0.00
<b>e. Supplies</b>	0.00				0.00
<b>f. Contractual</b>	1,095,376.44				1,095,376.44
<b>g. Construction</b>	0.00				0.00
<b>h. Other</b>	749.00				749.00
<b>i. Total Direct Charges (sum of 6a-6h)</b>	1,121,583.30				\$ 1,121,583.30
<b>j. Indirect Charges</b>	10,991.49				\$ 10,991.49
<b>k. TOTALS (sum of 6i and 6j)</b>	\$ 1,132,574.79	\$	\$	\$	\$ 1,132,574.79
<b>7. Program Income</b>	\$ 0.00	\$	\$	\$	\$ 0.00

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Prescribed by OMB (Circular A -102) Page 1A

**SECTION C - NON-FEDERAL RESOURCES**

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e)TOTALS
8. <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
9. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>12. TOTAL (sum of lines 8-11)</b>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

**SECTION D - FORECASTED CASH NEEDS**

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ <input type="text" value="377,524.39"/>	\$ <input type="text" value="94,381.10"/>	\$ <input type="text" value="94,381.10"/>	\$ <input type="text" value="94,381.10"/>	\$ <input type="text" value="94,381.09"/>
14. Non-Federal	\$ <input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
<b>15. TOTAL (sum of lines 13 and 14)</b>	\$ <input type="text" value="377,524.39"/>	\$ <input type="text" value="94,381.10"/>	\$ <input type="text" value="94,381.10"/>	\$ <input type="text" value="94,381.10"/>	\$ <input type="text" value="94,381.09"/>

**SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT**

(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b)First	(c) Second	(d) Third	(e) Fourth
16. State Apprenticeship Expansion Grant	\$ <input type="text" value="377,524.39"/>	\$ <input type="text" value="377,524.39"/>	\$ <input type="text" value="377,524.39"/>	\$ <input type="text"/>
17. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>20. TOTAL (sum of lines 16 - 19)</b>	\$ <input type="text" value="377,524.39"/>	\$ <input type="text" value="377,524.39"/>	\$ <input type="text" value="377,524.39"/>	\$ <input type="text"/>

**SECTION F - OTHER BUDGET INFORMATION**

21. Direct Charges: <input type="text" value="1,121,583.30"/>	22. Indirect Charges: <input type="text" value="10,991.49"/>
23. Remarks: <input type="text"/>	

**Apprenticeship State Expansion  
Budget Narrative**

**ASE: \$1,132,574.79**

Personnel	\$17,056.80
Fringe Benefits	\$8,203.54
Travel	\$197.52
Equipment	
Supplies	
Contractual	\$1,095,376.44
Construction	
Other	\$749.00
Indirect Charges	\$10,991.49
Total	\$1,132,574.79

**HECC Staffing**

The Higher Education Coordination Commission (HECC) will conduct grant management and oversight of all of the grant activities. The chart below includes all HECC staff that conduct activities related to the grant. HECC will charge the grant for work completed for 20 months. The remaining staff costs will be covered with leveraged funds and is included below.

***Staffing***

Total Cost: \$25,260.34

***Personnel***

Total Cost: \$17,056.80

Personnel calculated at .12 FTE for 20 months with a monthly salary of \$7,107.00.

***Fringe Benefits***

Total Cost \$8,203.54

Fringe calculated based on the following amounts:

- Employment Relations Board @ \$1.65 per FTE per month = \$.20
- PERS (retirement) at 22.49% of salary = \$191.80
- FICA at 7.65% of salary = \$65.24
- Workers Compensation at \$2.44 per FTE per month = \$.29
- Flexible Benefits (medical, dental, vision) = \$152.64
- Total per month = \$410.18
- **Total for 20 months = \$8,203.54**

Position Title	Purpose	FTE	Length of Work	Salary	Total Salary	Benefits	Total Cost for 20 Months
Program Analyst/Grant Manager	Grant management	.12	20 Months	\$7,107	\$17,056.80	\$8,203.54	\$25,260.34

**Travel**

Total Cost: \$197.52

- In-state travel to attend meetings to help coordinate and provide technical assistance for grant activities and conduct monitoring of sub-recipients. Travel reimbursement will be paid at the approved federal per diem rate.
  - Mileage \$197.52 (362.42 miles x \$.545)

**Other**

Total Cost: \$749.00

Department of Justice (DOJ) legal fees. All contracts above \$150,000 must go to DOJ for legal sufficiency prior to the award.

Estimated at \$214 per hour x 3.5 hours.

**Indirect**

Total Cost: \$10,991.49

Expenditures of \$21,626.21 direct costs through 6/30/21 based on 43.74% = \$9,459.30

Remaining direct costs of \$4,580.56 based on 33.45% = \$1,532.19

The charges associated with this category are for work that the fiscal and operations staff (Grant Accountant, Procurement Specialist, Accounts Payable, Budget Analyst, Accountant) will be conducting to support the operation of the grant.

**Leverage**

Total Estimated Cost: \$235,741.14

HECC will leverage costs associated with the grant manager position which totals .60 FTE. The grant funds will cover 20 months at .12 FTE. The remaining .48 FTE for 20 months and the full .60 for the remaining 16 months of the grant period will be covered with leveraged funds and are

broken out below.

Position Title	Purpose	FTE	Length of Work	Salary	Total Salary	Benefits	Total Cost
Program Analyst/Grant Manager	Grant management	.48	20 Months	\$7,107	\$68,227.20	\$32,814.14	\$101,041.34
Program Analyst/Grant Manager	Grant management	.60	16 Months	\$7,107	\$68,227.20	\$32,814.14	\$101,041.34
Total			36		\$136,454.40	\$65,628.28	\$202,082.68

Additional leverage may come from other staff that support the grant manager in carrying out the work of administering the grant. Those positions and estimated leverage are outlined below.

Position Title	Purpose	FTE	Length of Work	Salary	Total Salary	Benefits	Total Cost for 36 Months
Education Specialist	Provide knowledge and leadership on training and curriculum development	.06 FTE	36 Months	\$8,333	\$17,999.28	\$8,181.34	\$26,180.62
Director	Oversees Grant Manager and Education Specialist, communicate grant goals and outcomes with partners	.01 FTE	36 Months	\$10,000	\$3,600.00	\$1,544.43	\$5,144.43
Support Staff	Create documents, order supplies and make travel arrangements.	.01 FTE	36 Months	\$4,000	\$1,440.00	\$893.41	\$2,333.41
Total					\$23,039.28	\$10,619.18	\$33,658.46

**Contractual**

**Total Cost: \$1,095,376.44**

***Southwestern Oregon Workforce Investment Board (SOWIB)***

Total Cost: \$760,500.00

SOWIB will be expanding their Medical Assistant Registered Apprenticeship program as well as to create an Early Learning Educator Registered Apprenticeship Program.

**Staffing: \$256,361.00**

Position Title	Purpose	FTE	Annual Salary & Fringe Benefits	Total Cost x 3 years
Executive Director	Project and grant oversight	.0625 %-.125%	\$104,500	\$30,159
Apprenticeship Coordinator	Compliance, tracking and coordination	1.0	\$60,000	\$157,774
Admin Clerk	Clerical support; data entry; program support	.15%-.50%	\$15,000	\$32,630.00
Apprenticeship Coordinator		.68	\$62,000	\$35,798.00 (6 months)
Total				\$256,361.00

*Fringe benefits for the Apprenticeship Coordinator positions are estimated at 20%. (The 20% fringe is an estimate as the Apprenticeship Coordinator positions will be hired by sub-recipients and exact numbers are not known at this time). SOWIB does not intend to charge fringe benefits costs to this grant for the Project Director or Admin Clerk.*

**Other Direct Time**

Total Cost: \$6,237.00

Other staff time in direct support of the grant, including things such as contracting, reporting, and backup for proctoring, etc.

**Operational Costs**

Total Cost: \$36,400.00

Includes supplies and materials for grant staff and office support costs including direct charge supplies such as printing, coordinator cell phone, allocation of shared expenses including office rent, insurance, and shared office supplies.

**Travel**

Total Cost \$4,770.00

Costs for staff to travel to local and other areas of the state to carry out the expansion goals.

**Coordination Costs**

Total Cost: \$172,500.00

Coordination costs of partners in other regions of the state. Partners will assist in identifying host sites and promoting the program as well as with implementation of the apprenticeship program within the regions. Partners may assist with onboarding organizations and apprentices, providing data and documentation as requested.

**Supplies**

Total Cost: \$3,250.00



\$650 per person (x 5) for educational materials (books/education supplies at SWOCC/UCC) = \$3,250

**Related Training and Instruction**

Total Cost: \$211,845.00

Up to \$4,320 per participant. Includes the costs for instructors, course fees, course training materials and fee related to the certification exam.

**Indirect Rate**

10% de minimus rate

Total Cost: \$69,137.00

**Worksystems**

Total Cost: \$113,360.74

**Staffing: \$104,349.32**

Position Title	Purpose	FTE	Annual Salary & Fringe Benefits	Total Cost
Project Manager	Grant management: procurement, contracting, monitoring and maintenance of Coaching Mentor, Career Link, Training Service and all other services. Coordinating with the evaluator; convening of grant committees; ensuring connectivity to WorkSource system.	.57	16 Months  Salary: \$65,632.63  Fringe: \$38,716.70	\$104,349.31

*Fringe benefits are calculated at: 8.46% FICA; 2.01% State UI; 0.25% Worker's Compensation Insurance; 16.31% medical/dental/life insurance; 6.02% pension; 0.56% other*

**Indirect Rate**

Total Cost: \$9,011.42

WSI's approved indirect rate is 7.47%

**Data System Modernization**

Total Cost: \$13,810.34

To support the cost of participant tracking and the development of a grant management system.

**RISE Partnership**

Total Cost: \$150,000.00

RISE Partnership will expand the Long-Term Care Certified Nursing Assistant program to local high schools and serve up to 20 apprentices.

**Staffing \$150,000.00**

<b>Position Title</b>	<b>Purpose</b>	<b>FTE</b>	<b>Annual Salary</b>	<b>Fringe Benefits</b>	<b>Total Cost</b>
Nurse Aide Instructor	Provide professional development and training related to Long Term Care	0.8	\$57,120	\$38,080	\$95,200
Career Coach	Provide coaching	0.52	\$32,760	\$21,840	\$54,800

***Samaritan Health***

Total Cost: \$57,705.36

Samaritan Health will create a Pharmacy Technician Registered Apprenticeship Program and register at least 5 apprentices.

**Staffing \$14,000.36**

<b>Position Title</b>	<b>Purpose</b>	<b>Hours</b>	<b>Salary</b>	<b>Fringe Benefits</b>	<b>Total Cost</b>
Instructor	Facilitate the RTI portion of the apprenticeship, ensuring course milestones are met, answering questions, and monitoring progress.	206.25 hours	\$62.06/hr	NA	\$12,799.88
Program Administrator	Provide ongoing maintenance of the program	45.75 hours	\$26.24/hr	NA	\$1,200.48
Total					\$14,000.36

**Apprentice Wages**

Total Cost: \$41,000

50% of apprentice wages will be reimbursed.

891.3 hours at \$18.40/hr = \$16,400 per apprentice, x 5 apprentices = \$82,000/2 = \$41,000.

**Related Training Materials**

Total Cost: \$2,705.00

National Healthcareer Association (NHA) package that includes the course content modules, practice exams, and exam fee.

March 17, 2022

Julia Steinberger, Interim Director, Office of Workforce Investments  
Higher Education Coordinating Commission  
3225 25<sup>th</sup> St. SE  
Salem, OR 97302

***Statement of commitment- Early Childhood Educator Apprenticeship Program***

Dear Ms. Steinberger,

Southwestern Oregon Workforce Board is committed to creating and implementing an Early Childhood Educator apprenticeship program, registered with BOLI ATD, utilizing Head Start employers in Coos, Curry, and Douglas Counties.

We plan to convene all partners on April 1, 2022 for the organizational meeting with BOLI ATD to finalize our standards, with the goal to submit to the Council in July 2022 and begin registering apprentices in late summer. We are partnering with Southwestern Oregon Community College and Umpqua Community College to provide the related training.

SOWIB will provide staff time and technical assistance to launch this program. We anticipate the bulk of the funding to go toward tuition, fees, and books as that is typically the biggest barrier toward filling the talent pipeline in this industry. We plan to assist five participants with tuition, fees, and books in an effort to create a pilot for this program, with plans to seek additional sources of funding for more participants.

This commitment will create a pathway for employers statewide to hire and train the much-needed staff to serve in Head Start centers and other childcare organizations. This innovation will assist in addressing the severe shortage of child care services available to adults who desire to enter the workforce or to return to work, post COVID.

Sincerely,



Kyle Stevens  
Executive Director  
Southwestern Oregon Workforce Investment Board

February 16, 2022

Julia Steinberger, Interim Director, Office of Workforce Investments  
Higher Education Coordinating Commission  
3225 25<sup>th</sup> St. SE  
Salem, OR 97302

## Statement of Commitment

### Pharmacy Technician Apprenticeship Program

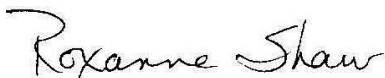
Dear Ms. Steinberger,

Samaritan Health Services is committed to creating and implementing a Pharmacy Technician apprenticeship program, registered with the state of Oregon, at Samaritan Health Services.

We will create and register the new apprenticeship program, forming a JATC to provide oversight and will subsequently hire and train five Pharmacy Technician apprentices who will begin their training in the second half of the calendar year. We are requesting \$57,705.00 for the remainder of the calendar year (\$12,800.00 in wages for instructor's wages, \$1,200.00 for wages for program administrator, \$41,000.00 for 50% of the apprentices' wages, and \$2,705.00 for the cost of related training materials). The proposed Pharmacy Technician apprenticeship program would be the first in the state of Oregon, thus setting the standard for apprentices in this field in the state.

This apprenticeship program will result in participants being fully trained and ready to pass the certification exam for Pharmacy Technicians. It will help to remove obstacles for individuals to enter an understaffed part of the healthcare workforce. Our goal is to create a stable training pipeline, providing training into a career pathway at no cost to apprentices while ensuring a more stable workforce.

Sincerely,



Roxanne Shaw, MSN, RN  
Director – Learning & Development  
Samaritan Health Services  
[rshaw@samhealth.org](mailto:rshaw@samhealth.org)

February 24, 2022

Julia Steinberger, Interim Director, Office of Workforce Investments  
Higher Education Coordinating Commission  
3225 25<sup>th</sup> St. SE  
Salem, OR 97302

Dear Ms. Steinberger,

***Re: Statement of commitment***

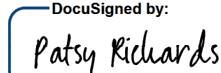
We are pleased to be considered for grant resources from the Higher Education Coordinating Council. RISE Partnership (through Long-Term CareWorks) partners with five Oregon labor-management trusts, unions, and employers to deliver outstanding training and benefits with a focus on equity and worker-employer collaboration. We deliver outstanding training and benefits with a focus on equity and worker-employer collaboration.

Our commitment is to develop and implement the high school apprenticeship program with the goal of building a pipeline of high school seniors through Certified Nursing Assistant (CNA) Apprenticeships. Our program addresses multiple systemic issues – workforce shortage of CNAs in the state and high turnover in the field due to lack of adequate support and training. According to our recent survey of CNAs across the state, nearly 33% who left their job as a CNA did so because of lack of support. We aim to help fix that problem, while also building up the workforce in a sector of the healthcare industry that is facing dire shortages. Specifically, we will provide:

- Program development (e.g. developing the model and approach, leveraging our expertise with similar apprenticeship programs)
- Leverage our existing relationships with employers for placement
- Providing administrative support to hire program staff (e.g. hiring a Nurse Aide Instructor and Career Coach to support the apprentices)
- Support for apprentices to enter into the State certification exams (e.g. didactic, clinicals, labs)
- On-the-job training for apprentices
- Provide professional development training specific to the long-term care sector of the healthcare industry
- Data collection and continuous improvement to support effective program development and implementation
- Serve 15-20 apprentices
- Employ Registered Nurse that will teach didactic, labs, and clinicals

Please feel free to contact me with any further questions. Thank you for your consideration.

Sincerely,

DocuSigned by:  
  
733623D3CAF84C4...

Patsy Richards  
Director, Long-Term CareWorks at RISE Partnership  
patsy.richards@risepartnership.com

## NEGOTIATED INDIRECT COST RATE AGREEMENT

**NON-FEDERAL ENTITY:**

Oregon Higher Education Coordinating  
Commission  
3225 25th Street SE  
Salem, OR 97302

**EIN:** 37-1737848

**DATE:** 6/30/2021

**FILE REFERENCE:** This  
replaces the agreement dated  
2/16/2021

The indirect cost rate(s) contained in this Agreement are for use on grants, contracts, and other agreements with the Federal Government. This Agreement was negotiated by **Oregon Higher Education Coordinating Commission** (non-Federal entity) and the **U.S. Department of Labor** in accordance with the authority contained in the Federal Acquisition Regulation (FAR) for commercial entities, or Title 2 of the Code of Federal Regulations, Part 200 for nonprofit and state/local entities. This Agreement is subject to the limitations in Section II, A, below.

When applicable, the rates presented in this Agreement may only be applied to: (1) cost-reimbursement contracts and (2) actual costs for materials in time-and-materials (T&M) contracts. Any indirect rates for labor costs in T&M, labor-hour and fixed-price contracts must be negotiated with the Contracting Officer during pre-award in accordance with FAR Part 15.404-1(c).

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### SECTION I: RATES

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<b><u>TYPE</u></b>	<b><u>APPROVAL</u></b>	<b><u>FROM</u></b>	<b><u>TO</u></b>	<b><u>RATE</u></b>	<b><u>BASE</u></b>	<b><u>LOCATION</u></b>	<b><u>APPLICABLE TO</u></b>
Indirect	Final	07/01/2019	06/30/2020	33.45%	MTDC-1	Loc-1	AP-2
Indirect	Provisional	07/01/2020	06/30/2021	43.74%	MTDC-1	Loc-1	AP-2
Indirect	Provisional	07/01/2021	06/30/2022	33.45%	MTDC-1	Loc-1	AP-2
Indirect	Final	07/01/2019	06/30/2020	20.28%	MTDC-1	Loc-1	AP-3
Indirect	Provisional	07/01/2020	06/30/2021	20.36%	MTDC-1	Loc-1	AP-3
Indirect	Provisional	07/01/2021	06/30/2022	20.28%	MTDC-1	Loc-1	AP-3

**(SEE SPECIAL REMARKS)**

**BASE(S):**

MTDC-1: Total direct costs excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each sub-award in excess of \$25,000.

**APPLICABLE TO:**

AP-2: All programs except the U.S. Department of Education programs that require a restricted rate per 34 CFR 75.563 and 34 CFR 76.563.

AP-3: The U.S. Department of Education (ED) programs that require a restricted rate per 34 CFR 75.563 and 34 CFR 76.563. This rate review and approval was performed by ED's Indirect Cost Division.

**LOCATION:**

Loc-1: All

**TREATMENT OF FRINGE BENEFITS:** Fringe benefits are specifically identified to each employee and are charged individually as direct or indirect cost (as applicable). See Special Remarks section of this Agreement for more details.

**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.

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## **SECTION II: GENERAL**

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### **A. LIMITATIONS:**

Use of the rate(s) contained in the Agreement is subject to all statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the rate(s) agreed to herein is predicated upon the following conditions:

1. No costs other than those incurred by the non-Federal entity or contractor were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the non-Federal entity and allowable under the governing cost principles.
2. The same costs that have been treated as indirect costs have not been claimed as direct costs.
3. Similar types of costs have been accorded consistent treatment.
4. The information provided by the non-Federal entity or contractor which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the rate(s) may be subject to renegotiation at the discretion of the Federal government.
5. The rates cited in this Agreement are subject to audit.
6. Indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in this Agreement should be adjusted to the applicable rate(s) cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.
7. Contracts/grants providing for ceilings as to the indirect cost rate(s) or amount(s) which are indicated in Section I above, will be subject to the ceilings stipulated in the contract or grant agreements. The ceiling rate or the rate(s) cited in this Agreement, whichever is lower, will be used to determine the maximum allowable indirect cost on the contract or grant agreement.
8. Administrative costs consist of all Direct and Indirect costs associated with the management of a non-Federal entity's programs. Non-Federal entities should refer to their contracts/grants terms and specific program legislation for the applicable definition of Administrative Costs and any related limitations.

### **B. ACCOUNTING CHANGES:**

This agreement is based on the accounting system purported by the non-Federal entity or contractor 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 from the Cost&



Price Determination Division (CPDD). 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. NOTIFICATION TO FEDERAL AGENCIES:**

A copy of this document is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.

**D. DEFINITION OF RATES:**

1. Final rate means an indirect cost rate applicable to a specified past period which is based on the actual costs of the period. A final rate is not subject to adjustment.
2. Provisional rate or billing rate means a temporary indirect cost rate applicable to a specified period which is used for funding, interim reimbursement, and reporting indirect costs on Federal awards pending the establishment of a final rate for the period.
3. Predetermined rate means an indirect cost rate, applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.
4. Fixed rate means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

The Special Remarks section of this agreement may include a carry forward amount(s) for the applicable fiscal year(s).

**E. SPECIAL REMARKS:**

1. Provisional/Final Rate approval and impact to closeout adjustments:

When seeking initial reimbursement of indirect costs using the provisional/final rate methodology, a provisional proposal must be submitted within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) that requires accounting for actual costs incurred. The non-Federal entity or contractor must submit an indirect cost rate proposal within six (6) months after the end of their fiscal year to establish a final rate.

Once a final rate is negotiated, billings and charges to Federal awards must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available to cover the additional indirect costs, the non-Federal entity or contractor may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities or contractors receiving a Federal cost reimbursable contract(s) - Must adhere with FAR 52.216-7(d)(2)(v), to settle final indirect cost rates typically on an annual basis:

“The contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this sections, within 60 days after settlement of final indirect cost rates.”

In addition, the contractor shall provide to the Contracting Officer the noted cumulative costs schedule within 60 days of the execution of this agreement.

If the non-Federal entity or contractor has completed performance under any of the contracts covered by this Agreement, a final invoice or voucher must be submitted no later than 120 days from the date on which this Agreement is executed, following guidance from FAR 52.216-7(d)(5) and FAR 52.216-7(h).

Non-Federal entities receiving Federal awards (financial assistance, grants, and cooperative agreements) – Note that even if Federal awards are administratively closed prior to the settlement of final indirect cost rates, non-Federal entities still must comply with the following 2 CFR Part 200 clauses stating, in part:

§200.344 Post-closeout adjustments and continuing responsibilities

(a) The closeout of a Federal award does not affect any of the following:

- (1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
- (2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

§200.345 Collection of amounts due

- (a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal Government.
  - (b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.
2. Fringe benefits include the following: Social Security, Workers Compensation Insurance, Mass Transit, Health Insurance, and Retirement.
  3. Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition. The capitalization threshold for equipment is \$5,000.
  4. The indirect salaries approved as part of the Rate/CAP in Section I comply with the applicable ETA TEGL 5-06 and /or Job Corps salary and bonus restrictions.

**ACCEPTANCE**

**BY THE NON-FEDERAL ENTITY:**

Oregon Higher Education Coordinating  
Commission  
3225 25th Street SE  
Salem, OR 97302

\_\_\_\_\_  
(Non-Federal Entity)



\_\_\_\_\_  
(Signature)

Ben Cannon

\_\_\_\_\_  
(Name)

Executive Director

\_\_\_\_\_  
(Title)

7/1/2021

\_\_\_\_\_  
(Date)

**BY THE COGNIZANT AGENCY FOR  
INDIRECT COSTS, ON BEHALF OF THE  
U.S. FEDERAL GOVERNMENT:**

U.S. Department of Labor  
Cost & Price Determination Division  
200 Constitution Ave., N.W., S-1510  
Washington, DC 20210

\_\_\_\_\_  
(U.S. Federal Government Agency)

VICTOR LOPEZ Digitally signed by VICTOR LOPEZ  
Date: 2021.06.30 16:34:00 -04'00'

\_\_\_\_\_  
(Signature)

Victor M. López

\_\_\_\_\_  
(Name)

Chief, Cost & Price Determination Division

\_\_\_\_\_  
(Title)

6/30/2021

\_\_\_\_\_  
(Date)

Negotiated By: Emily Wen  
Office Phone: (202) 693-4107  
Email: wen.emily.w@dol.gov