



FRINGE BENEFIT & INDIRECT COST RATE AGREEMENT

Between

The Ohio Department of Transportation and
The Ohio-Kentucky-Indiana Regional Council of Governments

April 26, 2011

The rates approved in this agreement are for use on grants, contracts and other agreement with the Federal and State Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

RATE TYPE: The Ohio-Kentucky-Indiana Regional Council of Governments has adopted the **PROVISIONAL RATE METHOD** of calculating the Fringe Benefit and Indirect Cost Rates. The rates are calculated based on the most recently audited Fiscal Year with adjustments for projected changes. Once approved, the provisional rates are billed for the fiscal year. At the end of the Fiscal Year, an actual rate is calculated and the difference between the estimated and actual cost for the period covered by the rate is identified to the specific contracts. Any variance is either billed as an additional cost or refunded to the granting agency. No carry forward provision is permitted to adjust the future rates for the variance.

TYPE	EFFECTIVE PERIOD		RATE (%)	APPLICATION
	FROM	TO		
PROVISIONAL	7/1/09	6/30/10	67.29	FRINGE BENEFIT RATE
PROVISIONAL	7/1/09	6/30/10	120.43	INDIRECT COST RATE
FINAL ***	7/1/09	6/30/10	65.30	FRINGE BENEFIT RATE
FINAL ***	7/1/09	6/30/10	124.07	INDIRECT COST RATE
PROVISIONAL	7/1/10	6/30/11	67.31	FRINGE BENEFIT RATE
PROVISIONAL	7/1/10	6/30/11	117.99	INDIRECT COST RATE
FINAL	7/1/10	6/30/11		FRINGE BENEFIT RATE
FINAL	7/1/10	6/30/11		INDIRECT COST RATE
PROVISIONAL	7/1/11	6/30/12	73.38	FRINGE BENEFIT RATE
PROVISIONAL	7/1/11	6/30/12	119.87	INDIRECT COST RATE
FINAL	7/1/11	6/30/12		FRINGE BENEFIT RATE
FINAL	7/1/11	6/30/12		INDIRECT COST RATE

BASE: For the calculation of the Fringe Benefit Rate the base is total direct and indirect labor. For the Indirect Cost Rate, the base is total direct labor (excluding direct labor fringe benefits).

*** The FINAL FY 2010 rates have not been audited by ODOT.

SECTION II: SPECIAL REMARKS

A. TREATMENT OF FRINGE BENEFITS:

Fringe benefits include Holiday, Sick and Vacation Leave, Retirement, Hospitalization, Workers Compensation, etc. These expenses are billed to contract(s) based on the applicable fringe benefit rate times the direct labor expenses incurred for the contract(s).

B. TREATMENT OF INDIRECT COSTS:

Indirect costs are not specifically identified to a cost objective. These include operational and administrative expenses (e.g., payroll processing, building rent, depreciation, etc.) These expenses are billed to contract(s) based on the applicable indirect cost rate times the direct labor expenses incurred for the contract(s).

SECTION III: GENERAL

A. LIMITATIONS:

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract, or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its indirect cost pool as finally accepted: such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal or State Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the governmental entity.

B. ACCOUNTING CHANGES:

This agreement is based on the accounting system purported by the organization 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 of the authorized representative of the Ohio Department of Transportation. 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. FIXED RATE:

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL/STATE AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-87, and should be applied to grants, contracts, and other agreement covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

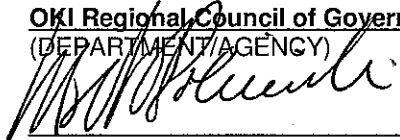
E. OTHER:

If any Federal contract, grant or other agreement is reimbursing indirect costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

BY THE DEPARTMENT/AGENCY:

BY THE COGNIZANT AGENCY ON BEHALF OF THE FEDERAL GOVERNMENT:

OKI Regional Council of Governments
(DEPARTMENT/AGENCY)



(SIGNATURE)

Mark R. Policinski
(PRINTED NAME)

Executive Director
(TITLE)

5-2-11
(DATE)

Ohio Department of Transportation
(DEPARTMENT/AGENCY)



(SIGNATURE)

Jerry Wray, JAR
(PRINTED NAME)

Director
(TITLE)

5-9-11
(DATE)

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

COST ALLOCATION PLAN - CALCULATION OF OVERHEAD RATE

(July 1, 2011 - June 30, 2012)

	<u>Estimated</u>	<u>Actual</u>	<u>Difference</u>	<u>ODOT</u>	<u>Estimated</u>
	<u>FY 2010</u>	<u>FY 2010</u>	<u>(Over Bdgt.)</u>	<u>Adjustments</u>	<u>FY 2012</u>
			<u>Under Bdgt.</u>		
Wages paid for time worked:					
Direct Labor	\$ 1,443,343	\$ 1,381,403	\$ 61,940	\$ -	\$ 1,461,638
Indirect Labor	\$ 560,506	\$ 568,857	\$ (8,351)	\$ -	\$ 549,435
Total Labor - base for fringe allocation	\$ 2,003,849	\$ 1,950,260	\$ 53,589	\$ -	\$ 2,011,073
Fringe Benefits					
Holidays (Net of Liability Adjustment)	\$ 87,758	\$ 85,652	\$ 2,106	\$ -	\$ 89,105
Sick Leave (Net of Liability Adjustment)	\$ 74,427	\$ 111,985	\$ (37,558)	\$ -	\$ 74,499
Vacation (Net of Entitlement & Liability Adjust.)	\$ 161,638	\$ 165,562	\$ (3,924)	\$ -	\$ 176,991
Administrative	\$ 11,618	\$ 3,470	\$ 8,148	\$ -	\$ 11,724
Performance Contingency funds	\$ 16,900	\$ 16,900	\$ -	\$ -	\$ 22,000
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Subtotal Fringe Benefit Wages</i>	\$ 352,341	\$ 383,569	\$ (31,228)	\$ -	\$ 374,319
Other Fringe Benefits					
Retirement	\$ 371,088	\$ 330,974	\$ 40,114	\$ -	\$ 386,889
Group Health (includes HSA contributions)	\$ 433,457	\$ 378,050	\$ 55,407	\$ -	\$ 523,593
FICA	\$ 171,568	\$ 165,387	\$ 6,181	\$ -	\$ 174,094
Workers Comp	\$ 6,100	\$ 6,488	\$ (388)	\$ -	\$ 7,300
Unemployment	\$ 3,900	\$ -	\$ 3,900	\$ -	\$ 1,200
Employee Incentives	\$ 9,840	\$ 8,978	\$ 862	\$ -	\$ 8,232
Vacation and Sick Leave Liability Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Period Audit Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Prior Year Rate Adjustment (use only with fixed rate)</i>					\$ -
<i>Subtotal Other Fringe Benefits</i>	\$ 995,953	\$ 889,877	\$ 106,076	\$ -	\$ 1,101,308
TOTAL FRINGE BENEFITS	\$ 1,348,294	\$ 1,273,446	\$ 74,848	\$ -	\$ 1,475,627
Indirect Costs					
Salaries - Indirect Only	\$ 560,506	\$ 568,857	\$ (8,351)	\$ -	\$ 549,435
Fringe Benefits for Indirect Salaries	\$ 377,138	\$ 371,442	\$ 5,696	\$ -	\$ 403,148
Auto Allowance paid as Indirect Salary	\$ 6,300	\$ 6,300	\$ -	\$ -	\$ 6,300
Travel and Professional Development	\$ 26,002	\$ 20,262	\$ 5,740	\$ -	\$ 22,973
Memberships	\$ 15,725	\$ 15,060	\$ 665	\$ -	\$ 14,424
Meetings	\$ -	\$ 846	\$ (846)	\$ -	\$ 633
Printing	\$ 1,925	\$ 397	\$ 1,528	\$ -	\$ 675
Repairs and Maintenance	\$ 16,145	\$ 15,433	\$ 712	\$ -	\$ 17,770
Equipment Lease	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 41,693	\$ 32,453	\$ 9,240	\$ -	\$ 29,250
Postage	\$ 3,425	\$ 2,378	\$ 1,047	\$ -	\$ 2,308
Rent	\$ 495,187	\$ 488,252	\$ 6,935	\$ -	\$ 493,488
Telephone - basic and Long Distance	\$ 9,152	\$ 8,431	\$ 721	\$ -	\$ 10,645
Subscriptions	\$ 765	\$ 998	\$ (233)	\$ -	\$ 1,072
Legal and Audit	\$ 64,000	\$ 58,112	\$ 5,888	\$ -	\$ 57,800
Reproduction	\$ 2,892	\$ 3,020	\$ (128)	\$ -	\$ 3,182
Insurance	\$ 24,962	\$ 25,916	\$ (954)	\$ -	\$ 22,483
Professional Services	\$ 41,280	\$ 42,150	\$ (870)	\$ -	\$ 53,400
Advertising	\$ 980	\$ -	\$ 980	\$ -	\$ 1,275
Depreciation & Loss on Disposal of Assets	\$ 26,528	\$ 33,432	\$ (6,904)	\$ -	\$ 40,211
Payroll processing	\$ 5,645	\$ 5,716	\$ (71)	\$ -	\$ 5,850
Internet	\$ 12,528	\$ 10,830	\$ 1,698	\$ -	\$ 11,060
Web Site management	\$ -	\$ -	\$ -	\$ -	\$ -
Retirement Plan Admin & Education Fees	\$ 3,575	\$ 2,925	\$ 650	\$ -	\$ 2,925
Other	\$ 1,800	\$ 1,910	\$ (110)	\$ -	\$ 2,616
Interest - Capital Lease	\$ 79	\$ 1,779	\$ (1,700)	\$ -	\$ 784
Prior Year Audit Adjustments	\$ -	\$ (3,041)	\$ 3,041	\$ -	\$ (1,600)
<i>Prior Year Rate Adjustment (use only with fixed rate)</i>					\$ -
TOTAL INDIRECT COSTS	\$ 1,738,232	\$ 1,713,859	\$ 24,373	\$ -	\$ 1,752,108

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

COST ALLOCATION PLAN - CALCULATION OF OVERHEAD RATE

(July 1, 2011 - June 30, 2012)

	Estimated FY 2010	Actual FY 2010	Difference (Over Bdgt.) Under Bdgt.	ODOT Adjustments	Estimated FY 2012
Direct Labor Costs by Department:					
FHWA/PL/FTA	\$ 1,096,391	\$ 1,037,365	\$ 59,026	\$ -	\$ 1,128,876
FTA - Trac	\$ -	\$ -	\$ -	\$ -	\$ -
CMAQ/STP	\$ 210,789	\$ 215,859	\$ (5,070)	\$ -	\$ 244,708
Ohio EPA	\$ 52,892	\$ 51,371	\$ 1,521	\$ -	\$ 19,648
Regional Planning	\$ 28,062	\$ 36,553	\$ (8,491)	\$ -	\$ 30,273
Water Quality	\$ 35,099	\$ 28,043	\$ 7,056	\$ -	\$ 18,465
Other Local	\$ 20,110	\$ 12,212	\$ 7,898	\$ -	\$ 19,668
Other Local Programs	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL DIRECT LABOR COSTS	\$ 1,443,343	\$ 1,381,403	\$ 61,940	\$ -	\$ 1,461,638
Fringe Benefit Cost Rate Computation					
TOTAL Fringe Benefit Costs /	\$ 1,348,294	\$ 1,273,446			\$ 1,475,627
TOTAL Labor Costs (Direct & Indirect)	\$ 2,003,849	\$ 1,950,260			\$ 2,011,073
= Fringe Benefit Cost Rate	67.29%	65.30%			73.38%
FY 2010 Fringe Benefit Cost Recovery Comparison (Direct Labor Portion Only)					
Should have recovered in fiscal year (Actual Direct Labor * Actual Fringe Benefit Cost Rate)		\$ 902,004	65.30%	of Direct Labor	
Amount actually recovered in fiscal year (Actual Direct Labor x ESTIMATED Fringe Benefit Cost Rate)		\$ 929,480	67.29%	of Direct Labor	
(Over)/Under Recovery of Fringe Benefits		\$ (27,476)	A (over)/under		
Indirect Cost Rate Computation					
TOTAL Indirect Costs /	\$ 1,738,232	\$ 1,713,859			\$ 1,752,108
only DIRECT Labor Costs	\$ 1,443,343	\$ 1,381,403			\$ 1,461,638
= Indirect Cost Rate	120.43%	124.07%			119.87%
FY 2010 Indirect Cost Recovery Comparison (All Indirect Costs, Indirect Labor & Indirect Labor Fringe Benefits)					
Should have recovered in fiscal year (Actual Direct Labor * Actual Indirect Cost Rate)		\$ 1,713,859	124.07%	of Direct Labor	
Amount actually recovered in fiscal year (Actual Direct Labor x ESTIMATED Indirect Cost Rate)		\$ 1,663,637	120.43%	of Direct Labor	
(Over)/Under Recovery of Indirect Costs		\$ 50,221	B (over)/under		
FY 2010 Summary					
Fringe Benefit Cost (Over)/Under Recovery		\$ (27,476)	A (over)/under		
Indirect Cost (Over)/Under Recovery		\$ 50,221	B (over)/under		
Net (Over)/Under Recovery		\$ 22,745			
Summary	Estimated FY 2010	Actual FY 2010			Estimated FY 2012
Fringe Benefit Rate	67.29%	65.30%			73.38%
Indirect Cost Rate	120.43%	124.07%			119.87%
Total Overhead Cost Rate	187.72%	189.36%			193.25%