

Coordinated Application 2022

Indirect Cost Page Technical Assistance

Michigan Department of Education (MDE) must display the indirect cost rate used by all recipients for federal funds. This is the rate that the subrecipient may use to capture shared costs. Indirect costs typically support administrative functions such as fringe benefits, accounting, payroll, purchasing, facilities management, utilities, etc.

For directions on how to complete and certify this page, go to the section in this document for your Sponsor type and negotiated indirect cost rate status and follow the instructions for the action needed.

Public Schools, Public School Academies (PSAs) and Intermediate School Districts (ISDs)

The unrestricted indirect cost rate is designed to prepopulate for Public Schools, PSAs and ISDs. For brand new PSAs, the rate may be 0% until the new PSA can negotiate a rate with MDE after one full year of operation.

Indirect Cost Rate

MDE is required to display the indirect cost rate used by all recipients for Federal funds. This is the rate that the subrecipient may use to capture shared costs. Indirect costs typically support administrative functions such as fringe benefits, accounting, payroll, purchasing, facilities management, utilities, etc.

██████████ MDE approved unrestricted Indirect cost rate: 12.44%

- Note: Unrestricted Indirect Cost Rates must be capped at 15.00% maximum in indirect cost calculations

For help and resource documents on [MDE - Child Nutrition Application Resources \(michigan.gov\)](#) click here.

*I certify that the above information is true and correct.

1. **Action needed:** Verify that your correct unrestricted indirect cost rate is listed correctly for the upcoming school year
NOTE: The rates populated now are from SY2021/2022. The rates for SY2022/2023 are preliminary and not displayed in the Coordinated Application at this time. The rates are expected to be final near the end of June by MDE.
2. Certify the Indirect Cost Page by checking the box. This is a required step.

Non-Public Schools, Residential Child Care Institutions (RCCI) and Non-School Sponsors:

These instructions are broken down into two sections. One for Sponsors that do not have a negotiated indirect cost rate and one section for Sponsors that do have a negotiated rate. **Most Non-Public Schools, RCCIs and Non-School Sponsors do not have a negotiated rate. They will answer “No” to the question “Do you have a negotiated rate from another Federal Agency/Entity” because they use the de minimis rate of 10% instead of a negotiated rate. Sponsors should not enter the de minimis rate of 10% in the Coordinated Application.**

For Sponsors that do not have a negotiated rate

Indirect Cost Rate New Note

MDE is required to display the indirect cost rate used by all recipients for Federal funds. This is the rate that the subrecipient may use to capture shared costs. Indirect costs typically support administrative functions such as fringe benefits, accounting, payroll, purchasing, facilities management, utilities, etc.

XXXXXXXXXX MDE approved unrestricted 0%

Indirect cost rate:

- Note: Unrestricted Indirect Cost Rates must be capped at 15.00% maximum in indirect cost calculations

Do you have a negotiated rate from another Federal Agency/Entity?

Yes No

For help and resource documents on [MDE - Child Nutrition Application Resources \(michigan.gov\)](#) click here.

*I certify that the above information is true and correct.

1. Sponsors in this category should have 0% prepopulated as their MDE approved rate because MDE does not negotiate indirect cost rates for Non-Public Schools, RCCIs and Non-School Sponsors
2. **Action needed:** Select “No” if your Sponsor does not have a negotiated indirect cost rate from another Federal Agency/Entity
3. Certify the Indirect Cost Page by checking the box. This is a required step.

For Sponsors that do have a negotiated rate

New NC

Indirect Cost Rate

MDE is required to display the indirect cost rate used by all recipients for Federal funds. This is the rate that the subrecipient may use to capture shared costs. Indirect costs typically support administrative functions such as fringe benefits, accounting, payroll, purchasing, facilities management, utilities, etc.

[REDACTED] MDE approved unrestricted 0%

Indirect cost rate:

- Note: Unrestricted Indirect Cost Rates must be capped at 15.00% maximum in indirect cost calculations

Do you have a negotiated rate from another Federal Agency/Entity? 1

Yes No

Provide your Sponsor's approved indirect cost rate: 2

%

Provide the name of the Federal Agency/Entity that is the source of your negotiated indirect cost rate: 3

0 of 100

Upload Documentation supporting indirect cost rate from another Federal Agency/Entity 4

For help and resource documents on [MDE - Child Nutrition Application Resources \(michigan.gov\)](#) click here.

*I certify that the above information is true and correct. 5

Sponsors in this category should have 0% prepopulated as their MDE approved rate because MDE does not negotiate indirect cost rates for Non-Public Schools, RCCIs and Non-School Sponsors

The action to be taken is listed below with steps relating to the numbers on the screenshot above:

1. Select "Yes" if your Sponsor has a negotiated indirect cost rate from another Federal Agency/Entity
2. Enter your approved indirect cost rate
3. Enter the name of the Federal Agency/Entity that your negotiated indirect cost rate is with
4. Upload supporting documentation, specifically, a letter from the other Federal Agency/Entity that verifies your approved negotiated indirect cost rate
5. Certify the Indirect Cost Page

Questions about Indirect Cost rates can be directed to our Fiscal Monitoring Team at: MDE-Fiscal@michigan.gov or 517-241-5380.

Resources for Sponsors:

[Indirect Cost Rates \(michigan.gov\)](https://www.michigan.gov/mde/services/financial-management/state-aid/publications/indirect-cost-rates)ⁱ

[USDA Indirect Cost Guidance](https://www.michigan.gov/mde/services/financial-management/state-aid/publications/indirect-cost-rates)ⁱⁱ

[MDE Indirect Cost Calculations Template \(Downloadable Excel File\)](https://www.michigan.gov/documents/mde/MDE_Indirect_Cost_Calculations_Template_688170_7.xlsx)ⁱⁱⁱ

ⁱ <https://www.michigan.gov/mde/services/financial-management/state-aid/publications/indirect-cost-rates>

ⁱⁱ <https://www.michigan.gov/mde/services/financial-management/state-aid/publications/indirect-cost-rates>

ⁱⁱⁱ https://www.michigan.gov/documents/mde/MDE_Indirect_Cost_Calculations_Template_688170_7.xlsx